United Nations A/C.5/59/SR.51

General Assembly
Fifty-ninth session

Official Records

Distr.: General
9 June 2005

Original: English

Fifth Committee

Summary record of the 51st meeting
Held at Headquarters, New York, on Thursday, 12 May 2005, at 10 a.m.

Chairman: Mr. MacKay ..... (New Zealand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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Agenda item 110: Improving the financial situation of the United Nations (*continued*)

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05-34226 (E)

The meeting was called to order at 10 a.m.

Agenda item 110: Improving the financial situation of the United Nations (*continued*)

Statement by the Controller on the current financial situation of the United Nations

1. **Mr. Sach** (Controller) said that his presentation would address four major indicators of the financial health of the United Nations, namely, assessments authorized, unpaid assessments, cash available and debt owed to Member States, in the context of the Organization's major activities.

2. First, the financial position of the two International Tribunals had improved considerably since October 2004, when a total of $80 million had been owed by 113 Member States and a recruitment freeze had been instituted. By 31 December 2004, the shortfall had been reduced to $30 million and the recruitment freeze had been lifted. Furthermore, by the end of 2004, 88 Member States had paid their contributions to both Tribunals in full, as compared to 81 at the end of 2003. However, those positive developments should not give rise to complacency. Although the number of Member States that had paid their assessed contributions in full had increased in 2004, it was still significantly lower than the number of Member States that had paid their regular budget assessments in full.

3. Trends for 2005 were mixed. By 30 April 2005, 43 Member States had paid their assessments to both Tribunals in full as compared to 37 by 30 April 2004 and the total outstanding had decreased to $150 million. However, the total amount received by 30 April 2005 had also decreased to $175 million.

4. The cash-flow situation of the Tribunals had improved slightly, although the net balance of $5 million at 31 December 2004 actually comprised a positive balance of $10 million for the International Criminal Tribunal for the Former Yugoslavia (ICTY) and a negative balance of $5 million for the International Criminal Tribunal for Rwanda (ICTR). On the basis of current trends, the Tribunals were expected to have a net negative cash balance of $24 million at 31 December 2005. However, if insufficient contributions were received during the course of the year, their debt level could be even higher.

5. Much remained to be done to ensure the financial stability of the Tribunals, given that 148 Member States had still had amounts outstanding for one or both of them at the end of April 2005. In view of the increasingly limited possibilities for cross-borrowing, Member States must make every effort to meet their financial obligations to the Tribunals in a full and timely manner. Failure to do so would endanger the successful completion of their work.

6. With regard to the regular budget, the picture was mixed. By the end of 2004, 124 Member States had paid their assessed contributions in full, as compared to 131 at the end of 2003. Nevertheless, the amount unpaid had fallen from $442 million in 2003 to $357 million at the end of 2004. As at 30 April 2005, 72 Member States had paid their assessed contributions in full and other Member States were urged to follow their example.

7. In terms of cash flow, $192 million had been available at the end of 2004. That figure comprised the General Fund and its related reserves (the Working Capital Fund and the United Nations Special Account). A similar situation was expected at the end of 2005. However, while the level of cash available for regular budget activities at the end of 2004 had been higher than expected in October, cross-borrowing from other accounts had been necessary in November and reserves had still been required at the end of 2004. It was anticipated that similar measures would be necessary from September 2005 onwards and, if Member States failed to pay their assessed contributions in full and on time, the actual outcome could involve even more cross-borrowing than anticipated.

8. In 2004, assessments for peacekeeping operations had more than doubled to over $5 billion. That dramatic increase was due in part to new operations in Burundi, Côte d'Ivoire and Haiti and to expanded operations in the Democratic Republic of the Congo, and in part to a technical issue related to peacekeeping rates, which had led to the late issuance of the bulk of peacekeeping assessments. At the end of 2004, unpaid peacekeeping assessments had amounted to over $2.5 billion, almost double the level at the end of 2003. As of 31 December 2004, Japan and the United States of America had owed almost $1.5 billion, or 57 per cent of the total, between them and Ukraine, France, China and Germany had owed in excess of $100 million each. On the other hand, by the end of 2004, 20 Member States had paid their assessed contributions for

peacekeeping operations in full and six of them — Azerbaijan, Latvia, Liechtenstein, Monaco, Poland and Singapore — had also paid in full assessments issued on 15 December 2004.

9. At the end of 2004, total cash resources for peacekeeping activities, including the Peacekeeping Reserve Fund, had amounted to $1.585 billion. However, since the General Assembly had ruled out cross-borrowing from active peacekeeping operations and had restricted the use of the Reserve Fund, only the $267 million in the accounts of closed peacekeeping missions had been available for potential cross-borrowing for the regular budget, the Tribunals and active peacekeeping operations and, of that amount, $232 million had had to be retained to cover liabilities. In addition, $140 million had been available in the Reserve Fund for new and expanded operations.

10. By 30 April 2005, payments of $1.466 billion had been received for peacekeeping operations. The amount of outstanding, due and payable assessed contributions had fallen to $1.207 billion and only the United States and Ukraine had still owed over $100 million each. However, new peacekeeping assessments totalling over $1 billion had been issued on 27 April 2005, meaning that the amount outstanding at the end of April had still been in excess of $2.2 billion, and further assessments of around $4 billion were anticipated during the course of the year. Twenty-five Member States had paid all peacekeeping assessments due and payable by 30 April 2005.

11. Current estimates indicated that a total of $1.192 billion would be available for peacekeeping activities at the end of 2005 and that, of that amount, $60 million should be available in the Peacekeeping Reserve Fund. Of the $337 million in the accounts of closed peacekeeping operations, $219 would have to be retained to cover liabilities, which left only $118 million for possible cross-borrowing. Given the fragility of the current financial situation, the Secretary-General, supported by the Advisory Committee on Administrative and Budgetary Questions (ACABQ), had proposed that the $93 million available in the accounts of closed peacekeeping missions should be retained. That proposal was particularly important, since, without those $93 million, only $25 million would be available to cover cross-borrowing requirements that were periodically much higher.

12. As far as debt to Member States was concerned, the total amount owed to troop and equipment contributors as at 31 December 2004 had been $549 million. That figure was lower than the October projection because new obligations had been somewhat lower than expected and payments by Member States had been slightly higher. At the end of 2004, reimbursements for most missions had been running two months behind in respect of troop costs and three to six months behind in respect of contingent-owned equipment. That situation was attributable to delays in the signing of memorandums of understanding and limited cash availability in individual peacekeeping accounts.

13. It was expected that debt owed to Member States at the end of 2005 would be $79 million more than at the end of 2004, on account of an increase in new obligations. Payments to Member States were also expected to increase, since it was assumed that further memorandums of understanding with troop and equipment contributors would be signed in respect of the United Nations Stabilization Mission in Haiti (MINUSTAH), the United Nations Operation in Burundi (ONUB) and the United Nations Operation in Côte d'Ivoire (UNOCI) and that new memorandums would be signed for the United Nations Mission in the Sudan (UNMIS).

14. In conclusion, he expressed his special thanks to the 20 Member States — Austria, Azerbaijan, Canada, the Czech Republic, Denmark, Estonia, Finland, France, Hungary, Liechtenstein, Monaco, the Netherlands, New Zealand, Norway, Singapore, Slovakia, South Africa, Sweden, Switzerland and the United Kingdom — that had paid in full all their due and payable assessments for the regular budget, the Tribunals and peacekeeping operations. The financial picture at the end of 2004 had been mixed and, while a healthier cash flow was expected during most of 2005, it was anticipated that borrowing would be necessary for the regular budget, the Tribunals and some active peacekeeping missions during the final quarter. Debt to troop and equipment contributors was also expected to rise again. The overall situation remained fragile and Member States must make further efforts to meet their financial obligations in full and on time.

15. **The Chairman** recalled, that in accordance with established procedure, the Controller's statement would be issued as an addendum to the Secretary-General's report on improving the financial situation of the United Nations, under the symbol A/59/524/Add.1.

The meeting rose at 10.40 a.m.

United Nations A/C.5/59/SR.52

General Assembly
Fifty-ninth session

Official Records

Distr.: General
10 June 2005

Original: English

Fifth Committee

Summary record of the 52nd meeting
Held at Headquarters, New York, on Monday, 16 May 2005, at 10 a.m.

Chairman: Mr. MacKay ..... (New Zealand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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Gratis personnel

Comprehensive assessment of the system of geographical distribution and assessment of the issues relating to possible changes in the number of posts subject to the system of geographical distribution

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05-34475 (E)

The meeting was called to order at 10.10 a.m.

Agenda item 108: Programme budget for the biennium 2004-2005 (*continued*)

Strengthened and unified security management system for the United Nations: standardized access control (A/59/776 and A/59/785)

1. **Mr. Veness** (Under-Secretary-General for Safety and Security), introducing the report of the Secretary-General on a strengthened and unified security management system for the United Nations: standardized access control (A/59/776), said that, on assuming his post in February 2005, he had carefully reviewed the relevant documents and asked for personal briefings to ascertain what access control work had already been completed. He had concluded that, although existing plans regarding perimeter defence, access control for people and vehicles, intruder detection, response arrangements and command and control were ambitious and all-encompassing, it would be wise to take an incremental approach to putting in place the basic requirements, based on a threat assessment. Though valuable, the work done lacked cohesion and systematic plans for the future and he had therefore formed the view that a structured plan to address those issues should be devised.

2. The access control project was separate from the capital master plan and the current programme to enhance security in the Secretariat. It also had direct implications for United Nations offices away from Headquarters and included the annexes in New York outside the Secretariat site. He recommended that the course of the project should be determined by a threat assessment and should be aimed at establishing measures which were balanced and commensurate with the danger found.

3. **Mr. Kuznetsov** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/59/785), welcomed the careful, measured and incremental approach presented in the report of the Secretary-General to ensure that the new access system was balanced against the perceived threat to United Nations facilities. The new Under-Secretary-General for Safety and Security should be given an opportunity to reassess the feasibility of the current proposals. The Advisory Committee recommended that the General Assembly should take note of the report of the Secretary-General in the expectation that a comprehensive progress report would be presented at its sixtieth session.

4. **Mr. Mazumdar** (India) said that the intention of the Under-Secretary-General for Safety and Security to reassess the proposals for a new access control system was evidence of his expertise. The incremental approach he recommended coincided with the view which India had firmly put forward when the Secretariat presented the package of security measures to the General Assembly during the main part of its fifty-ninth session.

5. **Ms. Taylor Roberts** (Jamaica), speaking on behalf of the Group of 77 and China, observed that, following the establishment of the new Department of Safety and Security in February 2005, a revised approach to the implementation of a standardized access control system had been proposed. A detailed preliminary design and cost analysis would be undertaken within six to nine months and a progress report would be submitted to the General Assembly at its sixtieth session. In view of the clarification previously sought by the Committee on a number of issues, including the implications of the system for the capital master plan, the principles and guidelines for the sharing of information obtained through the system and the time frame for implementation, the Group welcomed the revised approach and would await the submission of the progress report.

Estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council: expansion of the United Nations Political Office for Somalia and the Special Court for Sierra Leone (A/59 534/Add. 4 and A/59/569/Add. 4)

6. **Ms. Van Buerle** (Director ad interim of the Programme Planning and Budget Division), introducing the report of the Secretary-General on estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (A/59/534/Add.4), said that the 2004/05 appropriation for the United Nations Political Office for Somalia (UNPOS) had made no provision for its likely expansion. The Secretary-General, in his subsequent report to the

Security Council on the situation in Somalia (S/2005/89), had recommended that UNPOS, whose current mandate expired in December 2005, should be expanded in two phases, the first to start immediately, and the second to start in September 2005.

7. Tables 1 and 2 of the addendum to the report listed total requirements for UNPOS for the period June-December 2005. However, an unencumbered balance remaining from the amount already appropriated was expected to reduce that sum. The current seven staff positions were insufficient to cope with the proposed expansion and 31 additional posts were therefore being requested to reflect the expanded role of UNPOS in the political, disarmament, demobilization and human rights areas.

8. In its resolution 59/276, the General Assembly had authorized the Secretary-General to enter into commitments not exceeding $20 million to supplement the financial resources of the Special Court for Sierra Leone, and requested him to continue, in concert with the Court's Management Committee, efforts to raise voluntary contributions to support the work of the Court and to report on progress made to the General Assembly at its resumed fifty-ninth session.

9. Efforts to mobilize resources had been quite fruitful, with the Governments of Denmark and the United States of America and the Ford Foundation making voluntary contributions in late 2004 and early 2005. However, the level of voluntary contributions available to the Court had now been exhausted, and an initial disbursement against the $20 million commitment authority had been made in May 2005. The Court estimated that the full amount of the commitment authority would be used to cover a shortfall of income over expenditure and the liquidation of obligations for the period from 1 July 2003 to 30 June 2004.

10. In March 2005, the Management Committee had approved the Court's proposed budget for the period from 1 July 2005 to 30 June 2006. The Secretary-General was seeking an additional subvention of up to $13 million to finance the first six months of the Court's fourth year of operation. In the context of the 2006/07 provision for special political missions, he also intended to request, at the sixtieth session, a further subvention of $7 million to enable the Court to complete existing trials. The General Assembly was requested to take the action summarized in paragraph 52 of the report.

11. **Mr. Kuznetsov** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/59/569/Add.4), noted that the request for resources for UNPOS covered both civilian personnel costs and operational costs, including non-recurring requirements. The resources for operational costs were being requested immediately in order to accommodate the procurement lead time for some equipment and to ensure that it was available once relocation of UNPOS to Somalia began. The Advisory Committee recommended approval of the resources requested for the expanded role of UNPOS, but saw room for possible savings, which should be reflected in the performance report.

12. The question of whether the General Assembly should grant a subvention to meet the expenses of the Special Court was not new. The Advisory Committee provided background information, including information on efforts to secure voluntary contributions, which it wished to encourage, but the question was a matter of policy for the General Assembly to decide.

13. While the Advisory Committee had received a copy of the budget adopted by the Court's Management Committee, that had been for information purposes, only, and it trusted that prudence and fiscal discipline would be exercised. It urged further cooperation between the Court and the United Nations Mission in Sierra Leone (UNAMSIL) in the acquisition of equipment and requested that thought should be given to how to run the New York liaison office as economically as possible.

14. **Ms. Oosterlinck** (Belgium), speaking on behalf of the European Union, the acceding countries Bulgaria and Romania, the candidate countries Croatia and Turkey, and the stabilization and association process countries Serbia and Montenegro and the former Yugoslav Republic of Macedonia, said that the European Union was fully committed to supporting the efforts of the Special Court for Sierra Leone to bring an end to impunity for those most responsible for serious war crimes. It welcomed the progress made in the ongoing trials and the elaboration of a completion strategy. The Court must have a solid financial basis as its business came to a close over the following year. The European Union was reassured that the Court was

paying due attention to the need to make best use of scarce resources, as it had managed to operate effectively while drawing on only a modest part of the subvention which the General Assembly had approved, and the Union encouraged the Court to continue its careful management. Accordingly, the Union supported the recommendations made by the Secretary-General in his report.

15. **Mr. Shalita** (Rwanda), speaking on behalf of the African Group, said that the Special Court for Sierra Leone had made serious efforts to manage its resources judiciously and, following the receipt of additional voluntary contributions, had made plans to intensify fund-raising activities in 2005. With the establishment of a second Trial Chamber, the Special Court would be able to conclude its third trial by early 2006 and would be better able to adhere to its programme of work. As voluntary contributions tapered off, the General Assembly should do its best to support the work of the Court.

16. The Special Court's two-phase completion strategy had originally envisaged concluding trials by 31 December 2005, but it was now clear that only the former Civil Defence Force (CDF) and Revolutionary United Front (RUF) trials would meet that target. The Armed Forces Revolutionary Council (AFRC) trial had only begun in March 2005 and would not be completed until early 2006. In addition, the two outstanding indictments were likely to further extend the life of the Special Court when those cases were brought to trial. In the interest of justice and reconciliation in Sierra Leone and long-term peace, security and development there and in the wider subregion, the completion strategy should be revised to reflect current realities.

17. The African Group commended the Special Court for helping to build the human resources capacities of the Sierra Leone judiciary and urged other ad hoc tribunals to follow its example. The welcome cooperation between UNAMSIL and the Special Court should be intensified and arrangements made to ensure the Special Court's security once UNAMSIL concluded its mandate.

18. Although Somalia had suffered widespread violence, anarchy and lawlessness for 14 years, the progress towards reconciliation, the establishment of a Transitional Federal Government and the election of 275 members of parliament had renewed hopes for a return to peace, security, law and order and development. The Intergovernmental Authority on Development (IGAD) had provided assistance to the Transitional Federal Government. For its part, the Security Council had recognized that the international community must support both the Transitional Federal Government and the efforts of the African Union to help with the process of transition. Responding to the personal security concerns of members of the Transitional Federal Government, the African Union was supporting a protection force to help with the relocation of the Government and members of the Transitional Federal Parliament, with safeguarding humanitarian aid and with the training of a new security force.

19. The African Group endorsed the recommendation of the Advisory Committee to approve resources for the expanded role of UNPOS, which would include assistance in promoting dialogue and reconciliation among Somali parties, addressing the issue of "Somaliland", coordinating international support, chairing the Coordination and Monitoring Committee, supporting the new governance structures and planning its own phased relocation to Somalia, where it would be in a better position to help the Transitional Federal Government's rebuilding efforts. However, UNPOS could not shoulder its expanded responsibilities with five international and two local staff; it would need additional financial and human resources. The African Group supported the revised and increased staffing plan and the upgrading of the post of Special Representative of the Secretary-General to the Assistant Secretary-General level. It hoped that, in his next report to the General Assembly, the Secretary-General would provide an assessment of the adequacy of the proposed financial and human resources for the varied and sensitive tasks of UNPOS.

20. **Ms. Taylor Roberts** (Jamaica), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to the work of special political missions and to the Secretary-General's good offices. In that connection, it valued the constructive and useful work being done by the Special Court for Sierra Leone and by UNPOS and trusted that the Fifth Committee would ensure the provision of adequate resources for the successful conclusion of that work.

21. **Ms. Ferguson** (Canada) reaffirmed Canada's support for the work of the Special Court for Sierra Leone which, since its establishment in January 2002, had made significant progress towards the

implementation of its mandate. Two Trial Chambers were running three trials full time, nine indictees were in detention and the Court's work should be completed by early 2007. That was an extremely impressive and efficient record, particularly given the complexity of the trials, the challenging operating environment and the fact that the entire Court structure had been built from the ground up.

22. However, the Court was still facing a number of challenges, in particular the sharp decrease in anticipated voluntary contributions for 2005 and beyond and the predicted rise in security costs owing to the drawdown of all troops from UNAMSIL by December 2005. It was therefore all the more important to bring as much certainty and stability as possible to the Court's financial situation. In light of the Court's rigorous efforts to solicit voluntary contributions and of the advanced stage of its work, her delegation fully supported the Secretary-General's recommendations concerning its financing. The Advisory Committee's silence on the issue of appropriations should be explored further during informal consultations.

23. **Mr. Kozaki** (Japan) recalled that the Special Court for Sierra Leone had been established on the understanding that it would be financed through voluntary contributions. In addition, the General Assembly had agreed to authorize commitment authority to supplement the Court's financial resources on the understanding that the Secretary-General, together with the Court's Management Committee, would redouble efforts to raise voluntary contributions to support the Court's work. He had taken note of the Court's continued efforts to collect such contributions and did not, therefore, see the need to make any appropriations at the current stage.

24. According to the Secretary-General's report, it was likely that the Court's October 2004 completion strategy would not be achieved. He questioned the value of a completion strategy that could be changed in a flexible manner and wondered whether the Security Council had been informed about the completion strategy in accordance with paragraph 6 of General Assembly resolution 58/284.

25. It would not be appropriate at the current stage for the General Assembly to take note of a possible request made by the Secretary-General in the context of the proposed programme budget for 2006-2007. In December 2004, the Secretary-General had anticipated that the Court's work would be completed by the end of 2005 and that up to $40 million would be required for its operations, but the General Assembly had never approved a possible subvention of up to $40 million. Japan would therefore be placed in an uncomfortable position if it transpired that the Secretary-General was assuming that such support from the regular budget was a given.

26. The current system of channelling assessed contributions to the Court without specific guidance on how to report to the General Assembly on their use also gave cause for concern. While he trusted that strict budgetary discipline was exercised by the Court's management and the Management Committee, a clear idea should be given of how the General Assembly was to be informed about the Court's utilization of assessed contributions and of how the Secretary-General would be held accountable in that regard.

27. **Ms. Ebbesen** (United States of America) said that the United States, the largest financial contributor to the Special Court for Sierra Leone, took the view that the Court had made commendable progress towards achieving its goal of bringing to justice those bearing the greatest responsibility for the crimes committed in Sierra Leone. However, the Court's work was at serious risk if sufficient funding was not secured for its fourth year of operations. Despite numerous appeals by the Secretary-General and members of the Management Committee, a significant shortfall in funds remained and thus, without a subvention or significant voluntary contributions, the Court was facing insolvency at a crucial time when all three trials were under way.

28. The international community could not afford to let the Special Court fail. To do so would send a negative message to those in the world struggling to combat the culture of impunity and would undermine respect for human rights and international humanitarian law. The Court had demonstrated that it could work quickly and economically and, despite the difficulties in securing sufficient voluntary funds, it continued to be a good model for an independent, efficient and effective tribunal that had benefited from the experiences of the International Criminal Tribunal for Rwanda and the International Criminal Tribunal for the Former Yugoslavia. Accordingly, the United States endorsed the Secretary-General's request that a subvention of $33 million should be granted to the

Special Court in order to bridge the shortfall in voluntary contributions and allow the Court to carry out its operations.

29. Lastly, the United States supported the work of UNPOS but had a few questions regarding the Secretary-General's proposal for its expansion.

30. **Mr. Jonah** (Sierra Leone) endorsed the statements made by the representative of Jamaica on behalf of the Group of 77 and China and the representative of Rwanda on behalf of the African Group. The Government and people of Sierra Leone attached great importance to the Special Court and it would be a great blow to the country if it was unable to complete its work owing to insufficient funds. He therefore urged the Committee to endorse the Secretary-General's recommendation.

31. **Ms. Van Buerle** (Director ad interim of the Programme Planning and Budget Division), replying to the questions posed by the representative of Japan, said that the Security Council would shortly be informed about the Court's completion strategy. As far as reporting arrangements were concerned, the procedures described in paragraph 13 of document A/58/733 remained in force and had proven to be quite effective. However, the Secretariat was open to further suggestions in that regard. Lastly, the Court had recently provided additional information on its efforts to solicit voluntary contributions, which would be made available to the Committee during the informal consultations.

Agenda item 114: Human resources management (*continued*) (A/59/716, A/59/724 and A/59/786; A/C.5/59/L.34)

List of staff

Gratis personnel

Comprehensive assessment of the system of geographical distribution and assessment of the issues relating to possible changes in the number of posts subject to the system of geographical distribution

32. **Ms. Haji-Ahmed** (Director of the Operational Services Division of the Office of Human Resources Management), introducing the report of the Secretary-General on gratis personnel provided by Governments and other entities (A/59/716), said that the report provided data for the period from 1 January 2003 to 31 December 2004. While previous reports on gratis personnel had presented a snapshot of data as on a given day of the final month of the reporting period, the methodology and scope of data analysis used for the current report had been significantly expanded, thereby making it possible to display much broader trends. The volume of data had also increased, due in part to the significant expansion of emergency and relief operations by the Office for the Coordination of Humanitarian Affairs.

33. Turning to the Secretary-General's report on the comprehensive assessment of the system of geographical distribution and assessment of the issues relating to possible changes in the number of posts subject to the system of geographical distribution (A/59/724), she said that it reviewed the origin and purpose of the system of desirable ranges for staff in posts subject to geographical distribution and the changes that had taken place over time and assessed the implications of potential modifications to that system. The report demonstrated the impact of varying the weights of existing factors and of altering the base figure of posts. The various simulations using the variants described in the report showed that changing the weights of the factors or expanding the base figure of posts would result in important changes in the representation status of Member States. Furthermore, expanding the base figure would have significant financial implications, as it would mean granting international status, with its associated allowances and benefits, to a larger pool of staff. It was projected that the inclusion of staff in the General Service and related categories would cost the Organization approximately $55.5 million annually. In addition, enlarging the base figure to include extrabudgetary staff would affect stability, and consequently human resources planning.

34. Lastly, she submitted document A/C.5/59/L.34, containing a list of staff of the United Nations Secretariat, to the Committee for its information.

35. **Mr. Kuznetsov** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) contained in document A/59/786, said that the Advisory Committee had reiterated its position on the feasibility of presenting information concerning gratis personnel on a biennial basis and had

once again requested that, in the future, details on such personnel should be integrated into the report of the Secretary-General on the composition of the Secretariat on a biennial basis, in the first year of the biennium. It had also recommended that the General Assembly should take note of the Secretary-General's report.

36. **Ms. Taylor Roberts** (Jamaica), speaking on behalf of the Group of 77 and China and referring to the Secretary-General's report on gratis personnel, stressed that, in accordance with General Assembly resolution 51/243, gratis personnel should be used on an exceptional and temporary basis and for specialized functions only. They were not a substitute for staff to be recruited against authorized posts for the implementation of mandated programmes and activities and should not be sought for financial reasons. The programme of work and mandates approved by Member States must be financed in the manner determined by the General Assembly, based upon proposals of the Secretary-General. Those principles must be maintained when engaging gratis personnel and personnel loaned should be assigned to technical cooperation and extrabudgetary activities approved by the General Assembly.

37. The Group of 77 and China attached great importance to the adoption and implementation of a fair and effective system of geographical distribution, which, since the establishment of the United Nations, had been recognized as a fundamental principle. The Group had taken note of the various scenarios described in the Secretary-General's report and would examine closely all the issues discussed therein.

38. **Mr. Berti Oliva** (Cuba) said that while he had no substantive objections to the report on gratis personnel, the format of which had been significantly improved, he pointed out that the increase in the number of nationalities represented by type I gratis personnel did not necessarily translate into an improvement in Member States' representation status, because the posts occupied by such personnel were not permanent. He requested updated information on the functions performed by type I gratis personnel and the departments to which they were assigned. He did not understand the recommendation contained in paragraph 7 of the report of the Advisory Committee. Gratis personnel were not part of the Secretariat and should therefore not be discussed in the report on its composition.

39. Lastly, he had taken note of the Secretary-General's report on the comprehensive assessment of the system of geographical distribution. His delegation had no objection to considering the various proposals contained therein.

40. **Mr. Elji** (Syrian Arab Republic) said that the use of gratis personnel was an unhealthy practice that should be restricted to extraordinary situations, particularly since such personnel were not subject to the Organization's Staff Regulations and Rules. Type I gratis personnel must be recruited in accordance with the relevant guidelines established by the General Assembly. The increase in the number of interns was more beneficial to certain Member States than to others and, in that connection, he requested more information about the rules governing the appointment of interns. He also wished to know why there were so few interns from developing countries.

41. In its resolution 51/243, the General Assembly had decided that type II gratis personnel would be accepted only in two exceptional sets of circumstances. However, such personnel were being used in a much more widespread manner. Lastly, with reference to the report of the Advisory Committee, he had taken note of the request contained in paragraph 7. However, the General Assembly had not accepted the Advisory Committee's original recommendation that information on gratis personnel should be presented on a biennial basis as part of the Secretary-General's regular report on the composition of the Secretariat because such a practice would contradict the exceptional nature of such appointments and would threaten the stability and continuity of the Organization.

42. **Ms. Haji-Ahmed** (Director of the Operational Services Division of the Office of Human Resources Management), replying to the questions posed by the representative of Cuba, said that she would be pleased to provide updated information on the number of interns and the departments to which they were assigned. Further details about the internship programme could be found on the website of the Office of Human Resources Management.

43. She reassured the Committee that the guidelines and principles relating to the appointment of gratis personnel were being respected. In particular, type II gratis personnel were generally contracted for very short periods and to carry out functions for which no expertise existed within the Secretariat.

The meeting rose at 11.20 a.m.

United Nations A/C.5/59/SR.53

General Assembly
Fifty-ninth session

Official Records

Distr.: General
10 June 2005

Original: English

Fifth Committee

Summary record of the 53rd meeting
Held at Headquarters, New York, on Friday, 20 May 2005, at 10 a.m.

Chairman: Ms. Lock (Vice-Chairman) ..... (South Africa)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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05-35119 (E)

In the absence of Mr. MacKay (New Zealand), Ms. Lock (South Africa), Vice-Chairman, took the Chair.

The meeting was called to order at 10.05 a.m.

Agenda item 135: Financing of the United Nations peacekeeping forces in the Middle East (*continued*)

(b) United Nations Interim Force in Lebanon (*continued*) (A/C.5/59/L.52)

Draft resolution A/C.5/59/L.52

1. **The Chairman** said that she had been informed by the coordinator of the informal consultations on the item that the Committee had been unable to reach consensus on the text of a draft resolution. She drew attention to draft resolution A/C.5/59/L.52, which had been submitted by Jamaica on behalf of the Group of 77 and China.

2. **Ms. Taylor Roberts** (Jamaica), introducing the draft resolution on behalf of the Group of 77 and China, drew attention to the fourth preambular paragraph and to paragraphs 3, 4 and 13, which related to an outstanding issue concerning non-payment by a Member State. She trusted that the Committee would give favourable consideration to the draft resolution.

Agenda item 108: Programme budget for the biennium 2004-2005 (*continued*)

Capital master plan (*continued*) (A/59/441/Add.1)

3. **Mr. Clarkson** (Officer-in-Charge of the Capital Master Plan Project), introducing the report of the Secretary-General on the capital master plan (A/59/441/Add.1), said that, in a letter dated 15 March 2005, the United States had given formal notification of its offer of a loan of $1.2 billion to finance the capital master plan. The loan offer was structured on the basis of a 30-year maximum period at an interest rate of 5.54 per cent per annum. The United Nations was required to convey its acceptance of the offer and sign a loan agreement by 30 September 2005. Otherwise, the offer would expire. Acceptance of the offer would not commit the Organization to enter into any financial obligations, nor would it preclude the United Nations from seeking alternative sources of funding. Accordingly, the General Assembly was requested to authorize the Secretary-General to accept the loan offer and conclude a loan agreement with the host country. The letter from the host country would be issued as an annex to the Secretary-General's report.

4. Implementation of the capital master plan was predicated on the temporary relocation of staff and delegates into a swing space building, UNDC-5, to be constructed by the United Nations Development Corporation (UNDC). Regrettably, UNDC had not received the required legislative approval from the state of New York. If legislative approval was given soon, the best completion date for UNDC-5 would be early 2011. However, refurbishment of the Headquarters complex was scheduled to begin in 2007, and each year of delay would result in escalation costs of about $38 million. The United Nations must therefore consider the use of commercial swing space, so that the refurbishment could begin on schedule.

5. The Secretariat had engaged a real estate firm to identify alternative swing space for offices and conference use. Use of commercial swing space would cost more than the rental rate originally anticipated for UNDC-5. At the same time, given the significant increase in the projected construction cost of UNDC-5, the original estimated rental rate could no longer be maintained. Nevertheless, the Administration believed that UNDC should continue to pursue the legislative approval required for the construction of UNDC-5 as a long-term consolidation building for United Nations offices currently housed in annex buildings.

6. As for the refurbishment, the design work was well under way. The General Assembly was therefore requested to approve the conversion of the $26 million commitment authority granted in its resolution 57/292 into an appropriation to allow for the completion of that phase of the project.

7. **Mr. Kuznetsov** (Chairman of the Advisory Committee on Administrative and Budgetary Questions (ACABQ)), introducing orally the related report of ACABQ, said that the offer by the host country of an interest-bearing loan would likely not be the least expensive way of obtaining financing for the capital master plan. The cash payment option, based on a one-time assessment or multi-year special assessments, would be the simplest and cheapest approach. However, relatively large financial outlays would be required from Member States. That option and other ideas, including a combination of financial mechanisms that might prove feasible and economical,

should be elaborated on in the third progress report. In the meantime, there would be no disadvantage in accepting the host country's offer, there being no requirement for the United Nations to actually make use of the loan, although there should be an understanding that, if the Organization did utilize all or part of the amount available, disbursal and repayment would be in accordance with a previously negotiated agreement to be worked out between the United Nations and the host country. In accordance with past practice, that agreement should be submitted to the General Assembly prior to signature by the Secretary-General.

8. The Advisory Committee recommended acceptance of the proposals contained in paragraphs 39 (a), (b) and (c) of the Secretary-General's report, subject to the understanding that, if the authorization of the General Assembly was sought to draw down any part of the amount available, the Secretary-General would provide it with detailed information on the related conditions. With regard to the proposed conversion of the full amount of the commitment authority approved for the biennium 2004-2005, the Advisory Committee wished to point out that the $26 million included a provision of $8.2 million budgeted for 2006. It therefore recommended that only $17.8 million should be appropriated and assessed. Commitment authority for the balance of $8.2 million should be renewed pending future action on the appropriation of that amount.

9. The Advisory Committee had previously stated that, given the changing circumstances, a wide range of options should be considered for the implementation of the capital master plan (A/59/556, para. 13). Recent developments had made the use of the current swing space option problematic. The Advisory Committee expected the third progress report to analyse the impact of those developments on the viability of the plan and to put forward a number of alternatives for addressing the Organization's needs with respect to its Headquarters facilities. All options should be explored, including the construction of temporary conference facilities together with suitable office space adjacent to, or close by, those facilities, preferably in Manhattan. The option of building within the United Nations compound should also be considered, as should a possible temporary, or even permanent, relocation of United Nations Headquarters outside New York City.

10. **Mr. van den Bossche** (Belgium), speaking on behalf of the European Union, the acceding countries (Bulgaria and Romania), the candidate countries (Croatia and Turkey), the stabilization and association process countries (Albania, Serbia and Montenegro and the former Yugoslav Republic of Macedonia) and, in addition, Liechtenstein and Ukraine, said that the delays in implementing the capital master plan were troubling given the urgent need to renovate the Headquarters building. The European Union regretted that the host country had not improved the conditions of its initial loan offer. Provision of an interest-bearing loan was not in line with the usual practice at other United Nations headquarters locations. Moreover, in the interests of transparency, the host country should have provided more detailed information on the terms of the offer.

11. It was important to have a comprehensive and coherent capital master plan. However, many questions remained unanswered at the current stage. For example, the total cost was difficult to estimate because the General Assembly had yet to decide on a swing space option and on the modalities for financing the project. Nevertheless, in order to facilitate the timely implementation of the project, the European Union was ready to approve the appropriation of $26 million for the second phase of design work. It trusted that renovation of the Headquarters complex would begin in 2007, as scheduled.

12. Before taking any decision on the loan offer from the host country, the Assembly would need more information on the terms. The European Union was prepared to consider authorizing the Secretary-General to sign an agreement in order to preserve the Organization's option of drawing down all or part of the loan, subject to specific conditions along the lines of those set out in paragraphs 39 (b), (c) and (e) of the report before the Committee (A/59/441/Add.1). It looked forward to pursuing the matter in informal consultations.

13. Noting that the European Union countries accounted for about 38 per cent of aggregate assessments, he urged the Committee to examine ways of limiting the financial burden of the capital master plan on Member States. At the sixtieth session of the General Assembly, detailed consideration should be given to alternative solutions with a view to finding the most cost-effective funding arrangements for the renovation of the Headquarters building and the most

practical swing space option. The Secretariat should submit a follow-up report on the matter, taking as its starting point the principle of best value for money. The report should include cost estimates for the swing space building as well as estimates for the cost of renting an alternative location, total cost estimates for the capital master plan project, including potential cost overruns, and information on all possible funding arrangements.

14. **Ms. Taylor Roberts** (Jamaica), speaking on behalf of the Group of 77 and China, said that the Group continued to support the capital master plan. However, it would be difficult for it to authorize the Secretary-General to sign a loan agreement with the host country without having clear cost estimates for the implementation of the project. While the Chairman of the Advisory Committee had stated that there would be no disadvantage in accepting the loan offer, the General Assembly would need to have very clear information about the legal implications of such a step and about the terms and conditions of the loan itself before any decision was taken on the matter. In that connection, the Group looked forward to receiving the information requested from the representative of the Legal Counsel in the informal consultations held the previous day.

15. The Group supported the Advisory Committee's recommendation regarding the proposed conversion of the $26 million commitment authority approved for the biennium 2004-2005 into an assessment with appropriation. It wished to be provided with a timetable for the expenditure of the amount approved and a breakdown of the areas in which those funds would be used.

16. **Ms. Buchanan** (New Zealand), speaking also on behalf of Australia and Canada, said that the renovation of the Headquarters building must be undertaken as a matter of priority. Failure to respond adequately to the Secretary-General's proposals would put the entire capital master plan in jeopardy. In order to preserve the project and the timeline, the design work and the preparation of the construction documents must proceed as scheduled. All delegations must therefore support the Secretary-General's request for appropriation of the $26 million for which commitment authority had already been granted.

17. She welcomed the Secretary-General's efforts to explore ways to reduce the cost of the project to Member States and urged the Committee to authorize him to conclude an agreement with the host country accepting its loan offer. While it made sense to keep that option open, paying by assessment appeared more economical than taking out an interest-bearing loan. It was therefore surprising that so little attention had been devoted to that option in the Secretary-General's report. The Secretariat should elaborate more fully on payment by direct assessment in the third progress report. No final decision could be taken without that information.

18. Clearly, UNDC-5 was no longer a viable swing space option. Finding the best available temporary accommodation for the Organization's staff and the conduct of its intergovernmental business would be a priority when the Committee next discussed the capital master plan. Consolidation would enhance security, while contributing to organizational efficiency and effective coordination, and was certainly worth exploring. However, it was questionable whether UNDC-5 remained the unique opportunity claimed, particularly in the light of the cost increases, the unwillingness of the New York state legislature to provide the necessary authorization and the lack of the anticipated triple tax-free status for the bonds that would finance construction of the building. Given the complications of operations outside the United Nations perimeter, the Secretariat should explore the option of using the North Lawn as a location for both temporary relocation of conference facilities and permanent consolidation.

19. **Mr. Torres Lépori** (Argentina), speaking on behalf of the Rio Group, said that the Group shared the concerns expressed by the representatives of Jamaica and Belgium on behalf, respectively, of the Group of 77 and China and the European Union. In that connection, it wished to reiterate the request it had made at the first part of the resumed session for an explanation of the legal implications of authorizing the Secretary-General to conclude a loan agreement with the host country. The Group was committed to providing a safe and healthy workplace for the Organization's staff so that they could continue to carry out with professionalism the tasks assigned to them. Given the huge financial, legal and political implications of the Committee's eventual decision on the capital master plan, the lack of data from the Secretariat was cause for concern. Moreover, the Committee had been given conflicting information

over the previous year regarding the amount that would have to be converted into an appropriation in order to cover the costs of the design work. The Group continued to have many doubts and questions about the project, which it intended to raise in informal consultations. It looked forward to clear and direct answers from the Secretariat.

20. **Mr. Iosifov** (Russian Federation) expressed regret at the lack of progress on such key issues as the funding arrangements for the capital master plan, the timetable for the renovation, and the construction of swing space. In the meantime, the cost of the project was escalating. Acceptance of the host country's loan offer would result in a considerable financial burden for Member States. If no interest-free loan was available, as appeared to be the case, the Russian Federation would be prepared to bear its share of the capital master plan costs by paying contributions directly assessed on it as the project proceeded. Indeed, payment by direct assessment would be the most cost-effective means of financing the project. Funding options entailing the payment of interest would be unacceptable to the Russian Federation.

21. At the same time, bearing in mind that some Member States might support using the loan offered by the host country, his delegation would be prepared to discuss compromise solutions involving mixed funding arrangements whereby Member States could choose between paying assessed contributions or participating in the loan agreement. The Secretariat had given an assurance in informal consultations that such arrangements would be practicable. The question of whether to authorize the Secretary-General to conclude an agreement with the host country in order to preserve the option of drawing down the loan should be considered in conjunction with a final decision on the funding arrangements. He noted that conclusion of such an agreement would not create any financial or legal obligations for the United Nations.

22. The delays in securing a site for the construction of the swing space building were cause for concern. His delegation would have expected greater involvement by the host country in resolving that problem, particularly given the impact on the timing of the project. Over the 60 years of its existence, the United Nations had become a fixture of the host country's political landscape and an integral part of the economy of the city and state of New York. The continuing uncertainty surrounding the swing space building was therefore perplexing.

23. Lastly, his delegation would have no objection to the approval of the Secretary-General's request to convert into an appropriation the $26 million commitment authority previously granted by the General Assembly.

24. **Mr. Berti Oliva** (Cuba) said that the agenda item under consideration was of particular interest to Member States, since improving the facilities and services at Headquarters would enhance the legislative process. However, the financial burden of those improvements, particularly for the developing countries, some of which had witnessed significant increases in their assessed contributions following the adoption of General Assembly resolution 55/5, must be closely monitored.

25. He had noted with concern that the report currently before the Committee had been submitted prior to the General Assembly's official receipt of the host Government's letter of 15 March 2005, on the basis of which it had been prepared. Consequently, he would be grateful if that letter could be circulated as an official document of the United Nations in all six official languages.

26. The host country's offer of a loan did not meet the expectations of the General Assembly as set out in document A/59/441. If the offer was accepted, Member States would be responsible for repaying, in the form of interest, more than double the original loan amount. That course of action was unacceptable to Cuba. General Assembly resolution 57/292 had been adopted on the understanding that the host country would offer an interest-free loan to the Organization. It was unfortunate that, despite the considerable advantages for the host country of having the United Nations Headquarters in its territory, it had not made such an offer.

27. He was struck by the development of the issue in the various reports of the Secretary-General. In document A/59/441, the Secretary-General had appeared to favour an interest-free loan but had taken the view that an interest-bearing loan was the only feasible option. However, in the addendum to that report (A/59/441/Add.1), it was taken as read that the current offer was the only viable option for Member States. In that connection, he requested that the studies conducted to determine possible financing options

should be circulated to the Committee as a conference room paper. He also wished to know which financial institutions had been contacted to provide the advice mentioned in paragraph 7 of the report contained in document A/59/441/Add.1 and enquired about the fees for such advice. The General Assembly had requested the Secretary-General to establish an advisory board to advise on financing matters and overall project issues. However, the absence of any reference to that board in the report constituted a failure to comply with paragraph 19, section II, of General Assembly resolution 57/292.

28. He deeply regretted the continued absence of a clear vision of the future of UNDC-5. It had been his understanding that the capital master plan involved moving the Organization's activities to provisional locations while the Headquarters building was being renovated. However, if that was no longer the case, he wondered how the final cost of the plan to Member States, or the duration of the refurbishment process, could be estimated.

29. Lastly, he had taken note of the Secretary-General's request for authorization to sign an agreement with the host country in order to preserve the Organization's option to take advantage of the loan offer. However, given the legal, political and financial implications of the signature of such an agreement and in light of the request for written information from the Office of Legal Affairs, the discussion of the agenda item should not be concluded until he had had the opportunity to consult with his capital.

30. **Ms. Wang** Xinxia (China) recalled that when, at its fifty-seventh session, the General Assembly had taken the decision to proceed with the capital master plan, there had been great expectations that the host country would provide an interest-free loan to fund the plan and that the City of New York would provide, free of charge, a piece of land for the construction of a swing space. Unfortunately, those hopes seemed to have faded and Member States were now faced with two equally unattractive options: retaining an ageing building in urgent need of repair and a strengthened security infrastructure or proceeding with the implementation of the plan despite the radically changed terms of the host Government's offer.

31. A number of issues discussed in the Secretary-General's report required further clarification. For instance, the total estimated cost of the swing space arrangement might very well be different from those given by the Secretariat. It was difficult to imagine moving forward with the refurbishment of the Headquarters complex before those questions were resolved.

32. The report provided a number of financing options, most of which focused on the host Government's offer of an interest-bearing loan. The Secretary-General had recommended that legal action should be taken to accept that offer and Member States had been left with little choice in the matter, since they had not been given enough time to engage in substantive discussion on the advisability of that course of action or to fully explore alternative arrangements. Such working methods were perplexing, particularly since, according to the Office of Legal Affairs, signing an agreement with the host country would have legal consequences and, as such, should be approached with caution. China had reservations about the acceptance of loans by the United Nations and was willing to continue to explore other acceptable financing proposals.

33. **Ms. Zobrist Rentenaar** (Switzerland) reiterated her delegation's support for the capital master plan. In view of the precarious physical condition of the Headquarters complex and the need to ensure the security and safety of its staff, it was imperative to proceed rapidly with the plan's implementation. However, given the many uncertainties concerning the swing space and the various financing options, the total cost of the project remained unclear. A thorough discussion of all aspects of the project must therefore take place at the Assembly's sixtieth session.

34. In light of Switzerland's extensive experience with different financing options for the construction and renovation of the premises of international organizations and consistent with its long-standing policy in Geneva, her delegation would clearly have favoured the option of an interest-free loan from the host Government, but, given the realities of the situation on the ground, it was now leaning towards the option of cash payment through assessed contributions. Nevertheless, it seemed prudent to keep all options open and the information provided in the Secretary-General's report and by the Office of Legal Affairs concerning the terms of the host Government's offer was sufficiently clear to allow her delegation to agree to the proposed course of action. Switzerland also supported the conversion of the full amount of the

commitment authority of $26 million into an appropriation with assessment.

35. Although the Committee was not required to make an immediate decision on the various swing space options, her delegation was concerned about the delays and obstacles affecting UNDC-5. Originally regarded as the most desirable solution in terms of, inter alia, project costs and duration, it was clearly no longer a viable option. Even its retention as a consolidation building was questionable, since the economic terms currently offered by UNDC meant that, on a net present value basis, the cumulative break-even would not occur until 2043. In those circumstances, the option of erecting a temporary or even permanent building on existing United Nations premises should be explored.

36. **Ms. Shah** (United States of America) said that, as host country, the United States wished to provide a safe and secure environment for delegates and staff working at United Nations Headquarters. Consequently, the Committee must act during the current session to authorize the Secretary-General to sign a loan agreement with the United States Government, thereby preserving the option of borrowing up to $1.2 billion at an interest rate not to exceed 5.54 per cent per annum. The loan offer would expire on 30 September 2005, the end of the United States fiscal year, and could not be extended beyond that date.

37. If the Secretary-General signed the agreement, the United Nations would not be under any obligation to draw down the funds. It could choose not to use the loan at all and seek other funding options and could even use the loan as collateral for obtaining funds from other sources at a lower rate of interest. However, having the agreement in place left the option of the loan open for further consideration. If the General Assembly ultimately decided to finance the capital master plan through alternate means and no funds were drawn down, the United Nations would have no financial obligation to the United States Government. If, however, the General Assembly decided that the loan was the best available option, the funds would be immediately available. There was no time limit on the loan until the first funds were obligated and disbursed to the United Nations and the General Assembly could also decide on the duration of the repayment period.

38. With regard to alternative financing, it was her delegation's understanding that the United Nations would need to have at least 60 per cent of construction funds available when it concluded construction contracts. Without the loan from the United States, and if the project was to stay on schedule in 2006, Member States would be assessed for 60 per cent or more of the total cost of the capital master plan. Furthermore, since the Organization would still require funding to cover the remaining costs, contractors would seek a higher charge for their work, which would raise the overall cost of the project.

39. Lastly, according to the Secretary-General's report, the design development phase was progressing on target and a further appropriation was now needed to fund the construction documents phase. The Committee must therefore fulfil the commitment it had made in 2002 and take action to convert the commitment authority of $26 million into an appropriation to ensure that work on the capital master plan would proceed on schedule.

40. **Mr. Pulido León** (Bolivarian Republic of Venezuela) said that his delegation wished to associate itself with the statements made by the representative of Jamaica on behalf of the Group of 77 and China and by the representative of Argentina on behalf of the Rio Group. Venezuela shared other delegations' concerns about the legal, political and financial implications of the proposed loan agreement and recalled that, at its fifty-seventh session, the General Assembly had agreed to a loan from the host country on the understanding that it would be interest-free. Consequently, any financing arrangements involving an interest-bearing loan from the United States would be unacceptable. While his delegation did not object to authorizing the Secretary-General to send a letter to the United States Government expressing appreciation for the offer of a loan and stating that further consideration would be given to that offer, it was not prepared to authorize him to enter into any kind of agreement with the host country that entailed accepting the terms of an interest-bearing loan.

41. His delegation had no objection to converting the commitment authority of $26 million approved for the biennium 2004-2005 into an appropriation with assessment and was prepared to pay its assessed contributions, provided that the Secretariat could demonstrate that the funds were necessary. However, since November 2004, the Committee had been given a number of conflicting accounts of estimated requirements and, during the first part of the resumed

session, the Secretariat had stated that no additional funds would be necessary during the current biennium because the design phase of the capital master plan had been delayed. To clarify matters, the Secretariat should submit a summary of all payments due between May and December 2005 and indicate how those payments would be made. His delegation supported the Advisory Committee's recommendation that only $17.8 million of the previously authorized commitment authority should be appropriated and assessed at the current stage.

42. **Mr. Ramlal** (Trinidad and Tobago) noted that, owing to time constraints, the Advisory Committee had had to give an oral report on the capital master plan. In that connection, he wished to place on record his concerns about the way in which the Fifth Committee had been conducting its substantive work. As the Advisory Committee had stated in document A/59/736, greater attention must be paid to the planned timing of agenda items in order to ensure that they were considered properly.

43. Turning to the capital master plan, he echoed the concerns expressed by other delegations regarding transparency, uncertainty and the failure to provide detailed information. The situation was all the more incomprehensible because the fundamental parameters on the basis of which the General Assembly had approved the original design and management proposals for the plan had changed considerably.

44. In document A/57/7/Add.4, the Advisory Committee had pointed out that the Organization had not resorted in the past to commercial borrowing and that it did not find any compelling reason to change that practice. He had taken note of the remarks made by the representative of Belgium on behalf of the European Union and his delegation would approach all issues relating to the capital master plan in a constructive manner, including the proposed conversion of the commitment authority into an appropriation. The Secretary-General's third progress report should provide additional details on the option of funding the plan through assessed contributions from Member States.

45. **Mr. Ivanou** (Belarus) said that, while he had not received final instructions from his Government, he did not believe that Belarus would agree to fund the plan through an interest-bearing loan. If an interest-free loan was not forthcoming, he would be inclined to favour the cash payment option, but the proposals made by the representative of the Russian Federation also merited consideration, since they would allow for more flexibility and would therefore enable the Committee to reach an expeditious agreement on the issue.

Agenda item 114: Human resources management (*continued*)

Agenda item 123: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

Special measures for protection from sexual exploitation and sexual abuse (A/59/782)

Investigation by the Office of Internal Oversight Services into allegations of sexual exploitation and abuse in the United Nations Organization Mission in the Democratic Republic of the Congo (A/59/661)

Programme budget implications of draft resolution A/C.4/59/L.20: Comprehensive review on a strategy to eliminate future sexual exploitation and abuse in United Nations peacekeeping operations (A/C.4/59/L.20)

46. **Ms. McCreery** (Assistant Secretary-General for Human Resources Management), introducing the Secretary-General's report on special measures for protection from sexual exploitation and sexual abuse (A/59/782), said that the report presented data collected by the Office of Human Resources Management on allegations of sexual exploitation and sexual abuse in the United Nations system in the period from January to December 2004 and provided details on the status of investigations into those allegations. It also described efforts under way to prevent such acts.

47. Since the previous year, some improvements had been made in the tracking of allegations and in standardizing terminology and categorization. The number of allegations had increased substantially, which, given the staff's increased awareness of the seriousness with which sexual exploitation and abuse were regarded, was to be expected. In addition, the reporting process itself had become more widely known, and the number of reports was expected to rise further as the data-collection system became more effective. Consequently, efforts to address incidents of

sexual exploitation and abuse, and ultimately to prevent their occurrence, must be ever more sustained and serious.

48. Focal points, who helped to coordinate awareness and training on the issue of sexual exploitation and abuse and also established complaints mechanisms, had now been appointed in most peacekeeping missions, departments and offices. The guidelines and terms of reference for focal points, which had been approved by the Office of Human Resources Management in 2004, had been disseminated. However, United Nations entities with field offices recognized that local populations needed to be better informed about the focal points and the procedures for reporting allegations and should be assured of protection once they had reported an incident.

49. In 2004, most allegations had involved military personnel from the Department of Peacekeeping Operations. Sexual exploitation and abuse problems in peacekeeping settings differed in type and scope from those arising in most other work environments and must therefore be addressed differently. To that end, the Department of Peacekeeping Operations had implemented a wide range of measures, including strict non-fraternization policies and curfews for military contingents, increased monitoring of off-limits areas and premises, and training programmes. In addition, the post of Personnel Conduct Officer had been established in four peacekeeping missions and the Committee was encouraged to support the establishment of Personnel Conduct Units at Headquarters and in peacekeeping missions in order to further strengthen efforts.

50. As a measure of the seriousness with which the United Nations viewed the issue of sexual exploitation and abuse, the Secretary-General had, in July 2004, invited Prince Zeid Ra'ad Zeid Al-Hussein of Jordan to act as his Adviser on sexual exploitation and abuse by United Nations peacekeeping personnel. Prince Zeid had prepared a comprehensive strategy and recommendations for action aimed at eliminating those problems and his report had been endorsed by both the Fourth Committee and the Special Committee on Peacekeeping Operations. The latter had also endorsed the standards contained in the Secretary-General's bulletin on special measures for protection from sexual exploitation and sexual abuse (ST/SGB/2003/13) as the common standards for all categories of personnel in peacekeeping operations.

51. The recommendations for action contained in Prince Zeid's report would be taken up by the interdepartmental task force created in late 2004 by the Department of Peacekeeping Operations, which focused on producing policy and other guidance on training, welfare, public information and communications and data management and reporting. The recommendations would also figure on the agenda of the task force on sexual exploitation and abuse set up by the Executive Committee on Humanitarian Affairs and the Executive Committee on Peace and Security Task Force in early 2005. That task force would coordinate system-wide efforts to address sexual exploitation and abuse and, in particular, to establish the responsibilities of senior management in that regard. It would also endeavour to create a stronger support environment for dealing with allegations, both at Headquarters and in the field.

52. In his report, the Secretary-General reiterated his commitment to preventing sexual exploitation and abuse and to changing the organizational culture which had permitted it to take place. He also asked Member States for a renewed commitment to ensuring that all their nationals who were employed by the United Nations were properly informed about the parameters, rules, and repercussions of incidents of sexual exploitation and abuse.

53. **Ms. Dixon** (Officer-in-Charge of the Office of Internal Oversight Services) introduced the report by the Office of Internal Oversight Services (OIOS) on its investigation of allegations of sexual exploitation and abuse in the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) (A/59/661), which OIOS had prepared following the request by the Under-Secretary-General for Peacekeeping Operations and the Special Representative of the Secretary-General for MONUC that it investigate media reports in 2004 of sexual exploitation and abuse of Congolese women and girls by United Nations peacekeepers. In 2004, a multinational team of 11 professional investigators had spent four months in Bunia investigating the allegations. Due to the non-specific nature of most of the allegations, the team had spent several weeks trying to trace the original sources in order to obtain specific details regarding the alleged perpetrators or victims. The methods used by the investigators had included interviews (with Congolese women and girls, the young Congolese men who had facilitated the encounters and aid workers),

observations, photo arrays and physical line-ups. The interviews had confirmed that sexual contact with peacekeepers had occurred regularly, usually in exchange for food or small sums of money. Many of the contacts had involved girls under the age of 18, with some as young as 13. Many of the 72 allegations originally reported to MONUC could not be substantiated or even fully investigated. Nonetheless, OIOS had been able to prepare 20 case reports, 19 of which involved peacekeepers from three continents. In six cases, the allegations had been fully substantiated; in two cases, the evidence, though convincing, had not been fully substantiated; and in the remaining 11 cases, the evidence received had not been corroborated. The case involving a contingent member working in Bunia had been substantiated. However, interviews had revealed a pattern of sexual exploitation by peacekeepers contrary to the Code of Personal Conduct for Blue Helmets and to the code of conduct of MONUC itself. According to the report, one of the main contributing factors to the problem had been poverty combined with the chaos and displacement caused by violent conflict, which had rendered women and children particularly vulnerable to sexual exploitation. However, the poverty in no way excused the behaviour of peacekeepers or the failure of Mission managers to address problems when they had first arisen. The report made eight recommendations, which included action against those responsible and a strong prevention programme in MONUC and elsewhere, and were designed to encourage programmes and systems for all missions. The Department of Peacekeeping Operations had accepted the recommendations. However, OIOS was still waiting to be advised of the status of implementation and remained concerned about the growing numbers of reports of sexual exploitation and abuse in peacekeeping missions.

54. **Mr. Sach** (Controller) introduced the Secretary-General's statement on the programme budget implications of draft resolution A/C.4/59/L.20 (A/C.5/59/28), which endorsed the proposals, recommendations and conclusions of the Special Committee on Peacekeeping Operations (A/59/19/Add.1) following the report by the Secretary-General's Adviser on sexual exploitation and abuse by United Nations peacekeeping personnel (A/59/710). The statement considered the financial implications of the actions described in section II.A, B, F to K and N of the Special Committee's report.

55. With respect to Headquarters, in addition to the requirements of $1,218,700 proposed in the support account budget for 2005/06, approval was sought for an additional $206,600 for post and non-post resources, relating to six additional months of general temporary assistance at the P-4 level for the functions of a Legal Officer (P-4) in the Administrative Law Unit of the Division for Organizational Development and an additional Legal Officer (P-3) post in the Policy Support Unit of the Division for Organizational Development.

56. With respect to peacekeeping missions, in addition to the requirements of $3,326,800 for the establishment of 22 posts in MONUC, the United Nations Operation in Côte d'Ivoire (UNOCI), the United Nations Office in Burundi (UNOB), the United Nations Mission in Liberia (UNMIL), the United Nations Stabilization Mission in Haiti (MINUSTAH) and the United Nations Mission in the Sudan (UNMIS), which had been or would be proposed in the respective mission budget for 2005/06, approval was sought for the establishment of three posts for an amount of $379,600 for the United Nations Mission in Sierra Leone (UNAMSIL) and the establishment of an additional 27 posts in MONUC, UNOCI, ONUB, UNMIL and MINUSTAH. The cost of the latter posts would be absorbed in the proposed budgets of the respective missions for 2005/06. The addendum to the Secretary-General's statement (A/C.5/59/28/Add.1) outlined, for OIOS, the budgetary implications and/or consequential changes in the support account budget for 2005/06 arising from the preliminary review of the implementation of the recommendations contained in paragraph 30 of the Special Committee's report. Approval was sought for an additional requirement of $3,921,600 under general temporary assistance for the 25 positions in New York, Vienna, Nairobi and various peacekeeping missions and for an additional amount of $364,200 for non-post resources relating to those positions, both of which were to be included in requirements for OIOS in the support account for 2005/06.

57. **Mr. Kuznetsov** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/59/789), said that the Secretary-General's statement (A/C.5/59/28) was lacking in analysis and did not appear to be based on any clear policy. The Secretariat needed to develop a

well-defined, comprehensive and coherent policy for all United Nations activities, both at Headquarters and in the field. The policy should fully reflect the Special Committee's conclusions and include well-defined implementation procedures for enforcement and accountability, and requirements should be properly analysed and presented. The Secretariat should justify requests for additional resources, bearing in mind the Special Committee's call to avoid duplication of resources and functions, and clearly demonstrate that existing capacity and resources had been fully taken into account. The policy should also reflect the differing requirements for each mission. There was also a need for clearly delineated functions, and close coordination and cooperation, vis-à-vis OIOS. The Advisory Committee was fully cognizant of the importance of the issue under consideration. However, it should be emphasized that A/C.5/59/28 was not a budget document, but a statement of programme budget implications which itself stated that, should the draft resolution be adopted, there would be no need for any additional appropriation at the current stage, as additional requirements would either be absorbed in existing budgets or separately requested in budgets to be considered at the sixtieth session of the General Assembly. Thus, implementation of the Advisory Committee's recommendation (para. 12) that the additional human resources requested be provided through general temporary assistance, without prejudice to such decisions as the General Assembly might eventually take on specific requests for posts and related resources in the context of the relevant budgets, should not in any way impede the effective implementation of urgent measures to eliminate sexual exploitation and abuse. In his opinion, it should not be necessary to provide additional financing for temporary assistance at full cost, should the Secretariat indicate such a need. The entry date for staff hired to carry out urgent functions would most likely be the same whether they were paid from general temporary assistance or placed against an established post. If in some cases that was not so, such additional financial requirement as might arise could be reported in the relevant performance report.

58. Orally reporting on the addendum to the Secretary-General's statement (A/C.5/59/28/Add.1), which related to OIOS, he recalled that in paragraph 9 of its report the Advisory Committee referred to the marked absence in the statement of programme budget implications of the required investigative and related responsibilities of OIOS and regretted the late engagement with OIOS in view of its mandated investigative functions, as reconfirmed in resolution 59/287. The Advisory Committee noted that the estimates contained in the Secretary-General's statement involved general temporary assistance rather than posts, which was in line with the approach recommended by the Advisory Committee, pending a clear policy on sexual exploitation and abuse for all United Nations activities, both at Headquarters and in the field. The Advisory Committee would expect such a policy to be developed by January 2006, in time for its 2006 winter session and for the second part of the resumed sixtieth session. The estimated additional requirements outlined in paragraphs 18 to 35 of the addendum would arise under the support account for peacekeeping missions. The Advisory Committee had commented on investigative capacity, including the establishment of resident investigator teams in peacekeeping missions (paras. 97-99) and on the proposal for a new Personnel Conduct Unit at Headquarters (paras. 41-43) in its report on the support account (A/59/784), which was still before the General Assembly. As before, the Secretariat should justify requests for additional resources, bearing in mind the need to avoid duplication and demonstrate clearly that existing capacity and resources had been fully taken into account. While it was understandable that such information had not been included in the addendum, given the short time lapse between the two documents, the Advisory Committee would expect the Secretary-General to fully address those concerns in the proposals he would submit in response to the Advisory Committee's report. In that connection, the Advisory Committee had been informed that the Secretariat had established a working group to consider changing and/or updating procedures for handling sexual exploitation and abuse cases and to ensure information sharing among OIOS, the Department of Peacekeeping Operations and military and civilian police components. The working group was also considering possible changes in the terms of the status-of-forces agreement (SOFA) and the memorandum of understanding (MOU). A draft revised model MOU would be submitted to the Special Committee at its 2006 session. In addition, paragraph 27 of the addendum provided information on cooperation between OIOS and the Department of Peacekeeping Operations with regard to the operation of the proposed

Personnel Conduct Units in a number of peacekeeping operations.

59. The Advisory Committee trusted that speedy and identifiable progress would be made in those areas and reflected in the report to be submitted in January 2006. Protracted inter-organizational bickering should be avoided. In particular, it was essential to provide the proper legal framework for close cooperation between the United Nations and troop-contributing countries with regard to developing and implementing an effective and comprehensive policy to eliminate sexual exploitation and abuse, and to clearly define the respective roles of OIOS and the Department of Peacekeeping Operations.

60. Given the lack of hard data to support requests for additional human resources, an appropriate data management and tracking base still needed to be developed. As far as he understood, data for MONUC and UNMIL that was probably incomplete and/or not fully substantiated had been extrapolated to provide projections for other missions for which specific resources were estimated in the Secretary-General's statement. The Advisory Committee expected careful attention to be paid in the coming months to developing an accurate database and reliable analysis of the problem facing the United Nations. Only then could a realistic approach be developed. Again, it was important to distinguish the individual needs of particular missions. The Advisory Committee was not recommending reducing the amount of general temporary assistance estimated for the requirements of OIOS to implement the draft resolution, but felt that, if approved, such resources should be used to meet the most urgent requirements, including the elimination of any backlog, pending the development of the policy called for and the preparation of fully justified proposals. General temporary assistance resources should be used with maximum flexibility and called upon only as the need arose. That being said, the Secretariat should revisit plans to allocate five positions to UNMIS, with an emphasis on prevention, training and strong discipline and with investigative resources being phased in as necessary in the light of developments. As for additional resources for regional hubs in Geneva and Nairobi, the already considerable capacity there had recently been strengthened. Moreover, as yet there was no firm data concerning requirements at the missions to be covered by those hubs. The Advisory Committee was sceptical about providing a General Service post at Headquarters to serve as a focal point. The matter should be rethought and a new proposal made in the context of the next report.

61. Again, such additional resources as might be approved should be used flexibly, either in the areas referred to in the Secretary-General's statement or elsewhere as developments dictated, and only as the need arose. With prudent management, savings should therefore be possible. Future needs could be assessed in the light of the policy to be developed, which should clearly define the organizational and managerial framework for the resources required to eliminate sexual exploitation and abuse and other misconduct. In the meantime, such general temporary assistance as might be approved should be without prejudice to any decisions the General Assembly might eventually take on specific requests for posts and related resources. Estimated requirements under other objects of expenditure were consequential to the request for general temporary assistance, but should be utilized with due regard for efficiency and economy and for the fact that such assistance was to be used in a phased manner. No additional provision had been estimated for travel, as considerable travel capacity already existed. Accordingly, the Advisory Committee recommended that the Committee should inform the General Assembly that, should it adopt the draft resolution, there would be a further requirement under the support account for peacekeeping operations for 2005/06 of up to $4,285,800.

62. **Mr. van den Bossche** (Belgium), speaking on behalf of the European Union, the acceding countries (Bulgaria and Romania), the candidate countries (Croatia and Turkey), the stabilization and association process countries (Albania, Serbia and Montenegro and the former Yugoslav Republic of Macedonia), and, in addition, Iceland and Liechtenstein, said that the European Union was convinced of the extreme importance of addressing sexual exploitation and abuse in a just, effective and timely manner. The Secretary-General must take the necessary steps to bring the perpetrators to justice, institute a genuine culture of accountability for management and prevent such abuses happening in the future. The Secretary-General's requests for posts in various fields of activity did not give the impression of a comprehensive, strong, unified strategy to root out sexual exploitation and abuse. While he understood that discussions were

ongoing between various departments, he trusted that due attention would be given to implementing resolution 59/287, which stressed that sexual exploitation and abuse fell within the competence of OIOS. A clear delineation of responsibilities and mandates was essential in that regard. The European Union fully supported the political message given by the Special Committee, which focused on achieving a balance between awareness-raising and prevention, investigative capacities and zero-tolerance, and effective enforcement, and had noted the Secretariat's proposals in that regard. It was ready to approve during the current session the resources needed to address the issue. The Committee needed to provide adequate resources now, taking into account the recommendations of both the Special Committee and the Advisory Committee. In order to address the issue in an effective and balanced manner, Member States, particularly troop-contributing countries, the relevant Secretariat departments and mission managers needed to be involved at all stages. While the current debate focused on the immediate financing needs to establish that balance, he urged all the relevant parties to develop an overall policy framework to deal with the issue in a systemic way. Additional elements such as the proposed role of regional and resident investigators, which the European Union supported in principle, would form an integral part of deliberations.

63. **Ms. Taylor Roberts** (Jamaica), speaking on behalf of the Group of 77 and China, said that she was very concerned about reports of sexual exploitation and abuse by peacekeeping personnel, particularly given that, according to the Secretary-General's report on special measures for protection from sexual exploitation and sexual abuse (A/59/782), the number of allegations registered in 2004 was more than double the number that had been reported in 2003. There could be no excuses or compromises for such misconduct. The Group had noted the Secretary-General's efforts to implement measures to discourage exploitation and abuse and to facilitate their reporting and investigation. The Group had also taken note of the recommendations of OIOS, which dealt primarily with administrative and managerial policies and guidelines and with the system for implementing such policies. Other aspects raised by the Adviser to the Secretary-General on sexual exploitation and abuse by United Nations peacekeeping personnel (A/59/710) would be resolved only through a comprehensive strategy to eliminate future sexual exploitation and abuse. The Group would examine the proposals put forward by the Secretary-General and the Advisory Committee during informal consultations.

64. **Mr. Torres Lépori** (Argentina), speaking on behalf of the Rio Group, said that it was time for the United Nations to address, in a responsible manner, facts that in the past had not been given the attention they deserved. The Rio Group would approach the issue with extreme care so that appropriate decisions were taken to prevent sexual exploitation and abuse. The Group had taken note of the Secretary-General's proposals. The issue needed to be addressed in a coordinated manner that allowed for the proper distribution of responsibilities. In that regard, he would appreciate more detailed information concerning the way in which sexual exploitation and abuse would be dealt with in peacekeeping operations. The issue also needed to be addressed at the highest levels, both in the field and at Headquarters, in order to clearly reflect the Secretary-General's zero tolerance policy. He hoped that the report by the group of legal experts, as recommended by the Special Committee (A/59/19/Add.1), would soon be available so that it could be discussed at the General Assembly's sixtieth session. In the light of the Advisory Committee's comments, the Group would study the proposals to reinforce the investigative capacity of OIOS, in line with resolution 59/287. In the meantime, he hoped that the Group's ongoing concerns about the proposed Personnel Conduct Units would be duly addressed during informal meetings. Lastly, the Group would appreciate more detailed information about coordination between the Department of Peacekeeping Operations and OIOS and the distribution of responsibilities as well as about the specific functions of each component of the proposed structure and the chain of responsibility for receiving complaints and applying standards of conduct. The Rio Group hoped that the issue would be addressed in a responsible and constructive manner so that the necessary measures could be adopted to put an end to sexual exploitation and abuse, which were a serious blemish on the good name of the United Nations and its peacekeeping operations and jeopardized its efforts to promote international peace and security.

65. **Mr. Stagno Ugarte** (Costa Rica) said that it was shameful that it had taken four years since the first formal investigation into cases of sexual exploitation and abuse in peacekeeping operations for the Organization to address the issue directly and that the

Administration had not informed Member States about the ongoing situation in an appropriate and timely manner. Speaking about sexual exploitation and abuse, especially of girls and boys, had been a taboo in the Organization. It was time to change the culture of silence that had developed and was currently shaming the Organization.

66. His delegation deplored the inefficiency of the existing mechanisms to prevent, investigate and follow up on such offences. A number of points should therefore be taken into consideration in discussions on the current item as well as on cross-cutting issues and the support account for peacekeeping operations.

67. First among them was the need for zero tolerance of sexual exploitation and abuse and of complacency and impunity. To combat complacency, an effective system of accountability in the management structure of the missions and at Headquarters was needed at all levels of authority that would hold responsible any person who was silent about or concealed such wrongdoing. Mechanisms must also be established that would enable cases to be referred to the relevant tribunals to prevent impunity.

68. The second concerned investigative capacity. General Assembly resolution 59/287 granted OIOS the authority to report to Member States on sexual exploitation and abuse as an independent body. His delegation could not accept the establishment of various units with varying investigative capacities, as it might undermine the gathering of evidence and make investigations susceptible to political or personal influence. It therefore supported granting the resources sought by OIOS and recognized that the Office had primary responsibility in the area of investigations.

69. Thirdly, his delegation would like clear and precise information on the organizational structure for the consideration and follow-up of claims made, the implementation of established polices and the application of the code of conduct. Duplication and overlapping of functions and resources must be avoided. The Special Representatives of the Secretary-General at the missions and senior officials in the field must be personally committed to and assume responsibility for decision-making on the matter.

70. Fourthly, his delegation noted with interest the proposal on standardizing codes of conduct which would be considered at the sixtieth session of the General Assembly. It would appreciate clear information on the progress made by and interaction among the Department of Peacekeeping Operations, the multidisciplinary task force, OIOS and organizations and agencies.

71. **Ms. Kang** Kyung-wha (Republic of Korea) said that sexual exploitation and abuse in peacekeeping missions was a grave matter that went to the heart of the credibility and effectiveness of the United Nations. Troop-contributing countries must do all they could to train their troops and punish perpetrators. Furthermore, commanders and managers should lead by example, and they needed to be held more accountable for incidents of gross sexual exploitation and abuse committed by personnel under their authority. The Secretariat must devise effective measures to attain the zero-tolerance policy on sexual exploitation and abuse as proclaimed by the Secretary-General.

72. Her delegation was deeply troubled that the number of cases of alleged sexual exploitation and abuse by United Nations personnel had increased in 2004. The Secretary-General's report on special measures for protection from sexual exploitation and sexual abuse (A/59/782) and on the investigation by OIOS into allegations of sexual exploitation and abuse in MONUC (A/59/661) revealed a shameful reality on the ground, where sexual exploitation and abuse persisted and there were doubts over the seriousness with which the measures to deter, respond to and report incidents had been implemented. Her delegation therefore fully supported the Fourth Committee's endorsement of the proposals, recommendations and conclusions contained in the report of the Special Committee on Peacekeeping Operations and its Working Group on the 2005 resumed session (A/59/19/Add.1).

73. Her delegation placed particular emphasis on the Special Committee's recommendation for the establishment of professional and independent investigative capacity within the administrative authority of the United Nations. Strengthened preventive measures, including training, welfare and recreation, data management, and public information, would help to reduce the number of future incidents. Without a clear commitment to and follow-up on investigations into incidents, however, prevention would have little effect.

74. While her delegation fully appreciated the need for strengthened capacity to investigate allegations of

sexual exploitation and abuse at missions, it was difficult to understand the overall picture from the disjointed information contained in the many statements of programme budget implications. Her delegation stood ready to support additional posts if they were essential. Every effort must be made, however, to avoid duplication of resources and functions. It was not clear from the statements of programme budget implications whether the Personnel Conduct Officers and OIOS investigators were cooperating to discourage and eliminate misconduct, as they should. To maximize value and avoid waste, budget requests should be based upon a careful analysis of the possible synergies between strengthened investigation and the work of the Personnel Conduct Officers. While her delegation was ready to approve the budget requested for immediate action, it urged the Secretariat to take a long-term, system-wide approach to eliminating sexual exploitation and abuse.

75. **Mr. Mazumdar** (India) said that the revelations of sexual exploitation and abuse by United Nations personnel rightly occasioned outrage and condemnation. His delegation therefore commended the timeliness of the report on a comprehensive strategy to eliminate future sexual exploitation and abuse in United Nations peacekeeping operations (A/59/710), which provided a broad overview of the issue and put forward wide-ranging recommendations.

76. With respect to the programme budget implications of the draft resolution on the item (A/C.4/59/L.20), the establishment of new Personnel Conduct Units and creation of new posts alone would not adequately address the issues involved. The problem of sexual exploitation and abuse could be eliminated only through a management culture of zero tolerance of such acts and strict enforcement of codes of conduct.

77. Resource requirements should follow the development of a policy framework rather than the converse. Many of the actions that the Secretariat was required to undertake did not involve new mandates or functions. Member States expected the Secretariat to provide core management and to carry out functions that should not be farmed out to new entities.

78. In addition, the proposals of the Secretary-General did not address the question of how existing capacities, including dedicated Child Protection and Gender Advisers, should be used. His delegation encouraged the Department of Peacekeeping Operations to work with other entities in the Secretariat to utilize existing expertise and capacities and to avoid duplication. Even when new posts were required, there would be a need to consider carefully whether they should be created within the Department of Peacekeeping Operations or outside of it.

79. With respect to the Personnel Conduct Units, the Special Committee requested the Department of Peacekeeping Operations to be mindful of the need to fully utilize existing capacities. The basic approach of the Department of Peacekeeping Operations to the establishment of more posts was therefore flawed as were the resource requirements put forward.

80. In its report (A/59/661), OIOS called on managers to become more involved in preventing sexual exploitation and abuse. The measures proposed required enforcement and not more posts. If there was any need for dedicated capacity in missions, it was in the area of investigations, which should be independent of the Department of Peacekeeping Operations. In that context, his delegation noted with concern the apparent reluctance of the Department of Peacekeeping Operations to consult with OIOS on those issues, as noted by the Advisory Committee. His delegation welcomed the OIOS proposals in that regard, as set out in document A/C.5/59/28/Add.1, and commended the Office's approach, which was to seek general temporary assistance to enable it to deal immediately with the cases received to date while it evaluated its long-term post and grade level requirements.

81. **Ms. Skåre** (Norway) said that sexual exploitation and abuse by United Nations personnel was intolerable. By endorsing the report of the Special Committee on Peacekeeping Operations, the General Assembly would be taking a first step towards seeking justice and preventing such unacceptable conduct in the future.

82. Follow-up to the recommendations on uniform and binding standards and enhanced investigative and other capacities to address misconduct would have cost implications. Her Government had recognized the need for immediate action and therefore pledged $800,000 for the implementation of the recommendations. Implementation of a General Assembly resolution on a comprehensive strategy to eliminate future sexual exploitation and abuse in United Nations peacekeeping operations should not depend, however, on voluntary contributions. Member States must take collective

responsibility for financing the implementation of the resolution.

83. Norway fully supported the resource requests put forward by the Secretary-General, the establishment of a new Personnel Conduct Unit and the proposed resource requests to strengthen the Organization's capacity for investigations. The high number of allegations of sexual exploitation and abuse and the pattern of such abuse found in the reports were disturbing. Follow-up to the strategies and policies to prevent such misconduct was the responsibility of the highest officials. Civilian managers and military commanders must be held accountable and the Secretary-General and Member States must ensure that the necessary mechanisms of accountability were in place.

84. Lastly, her delegation believed that the Committee's discussion would benefit from supplementary information on the role and tasks of the Personnel Conduct Units at Headquarters, its relationship to other United Nations offices and the role of the Department of Peacekeeping Operations, if any, in investigations of sexual exploitation and abuse.

85. **Mr. Elnaggar** (Egypt) stated that the topic was morally and politically sensitive and needed to be dealt with in a serious manner. The Committee was considering the proposals of the Secretary-General for the creation of new administrative entities for peacekeeping operations and for strengthening the capacity of OIOS to investigate cases of sexual exploitation and abuse. The General Assembly had recently adopted a resolution on the subject that determined the competent office within the Secretariat. A clear and comprehensive strategy should be developed to optimize the current allocation of financial and human resources, instead of creating new bureaucratic frameworks which might blur lines of responsibility and authority, particularly since various aspects of the issue were already dealt with by offices at Headquarters or in the field. The Committee had requested the Secretariat and, in particular, the Department of Peacekeeping Operations, to respect the competencies of the existing entities. It was necessary to consider all of the existing entities and their respective areas of jurisdiction and whether the proposal of the Secretary-General would make it necessary to reconsider, reduce or even eliminate them altogether. The jurisdiction of any new post should be clearly defined in view of the need to ensure coordination and cooperation between the various departments of the Secretariat and taking into consideration the sovereignty of Member States. It was difficult for his country to understand how new posts could be created and absorbed under existing budgets when such posts or their jurisdiction had not been defined by the General Assembly. That important question was linked directly to the jurisdiction of the Fifth Committee and the General Assembly. His country was prepared to support the draft resolutions on financial and personnel policies before establishing new bureaucratic entities and to consider the extent to which urgent requirements could be absorbed, even temporarily, until the comprehensive report on the topic was submitted.

86. **Mr. Kozaki** (Japan) said that his Government devoted much attention to the issue of sexual exploitation and abuse in peacekeeping missions. It took serious note of the recommendations of the Secretary-General and had participated in the discussions on them by the Special Committee on Peacekeeping Operations. Adequate steps must be taken to prevent future incidents of misconduct by United Nations personnel. As the report of the Secretary-General rightly pointed out, troop-contributing countries had the primary responsibility for the conduct and discipline of their troops, and specific measures should be taken accordingly.

87. Existing resources must be fully utilized and, as recommended in the report of the Special Committee (A/59/19/Add.1), due attention given to avoiding duplication of resources and functions and to reviewing the effectiveness of current capacity to deal with the issue.

88. **Mr. Ng'ongolo** (United Republic of Tanzania) said that sexual exploitation and abuse had been clearly defined in the report as immoral and an insult to human dignity. His delegation was concerned that such activities were continuing and that there had been no effective programme of protection and deterrence to date. It was equally disturbing that while Member States were seeking ways of strengthening the Organization, others entrusted with promoting peace and security were undermining their efforts and tarnishing the Organization's reputation. His delegation condemned such misconduct and called for the establishment of a comprehensive strategy to eliminate sexual exploitation and abuse.

89. **Ms. Udo** (Nigeria) said that, like other delegations, her Government viewed the issue of sexual exploitation and abuse with serious concern.

90. **Mr. Simancas** (Mexico) asked whether any peacekeepers from the United Nations Interim Administration Mission in Kosovo (UNMIK) had been alleged to have engaged in sexual exploitation and abuse and, if so, whether they had subsequently been transferred to other missions.

91. **Ms. McCreery** (Assistant Secretary-General for Human Resources Management) said that there had been no allegations of sexual exploitation and abuse among UNMIK personnel in 2004. With respect to the perpetrators of incidents of human trafficking in 2003, they had not been transferred to any other peacekeeping missions in Africa or elsewhere.

The meeting rose at 1 p.m.

United Nations A/C.5/59/SR.54

General Assembly
Fifty-ninth session

Official Records

Distr.: General
23 June 2005

Original: English

Fifth Committee

Summary record of the 54th meeting
Held at Headquarters, New York, on Monday, 23 May 2005, at 10 a.m.

Chairman: Mr. MacKay ..... (New Zealand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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Capital master plan

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05-35369 (E)

The meeting was called to order at 10.10 a.m.

Agenda item 110: Improving the financial situation of the United Nations (*continued*) (A/59/524/Add.1)

1. **Mr. Sach** (Controller) said that he wished to update the information regarding the regular budget, the peacekeeping budget and the overall budget situation provided in the report of the Secretary-General on improving the financial situation of the United Nations (A/59/524/Add.1).

2. In paragraph 12 of the report, the number of Member States which had paid their assessed contributions in full should be changed from 72 to 75, to reflect payments received in May 2005 from Botswana, Cape Verde and Romania. In paragraph 19 of the report, the number of Member States which had paid all peacekeeping assessments due and payable should be changed from 23 to 26, to reflect sums received from France, Honduras and the United Kingdom of Great Britain and Northern Ireland. Finally, in paragraph 26 of the report, the number of Member States which had paid in full all due and payable assessments for the regular budget, the tribunals and peacekeeping operations should be changed from 18 to 21 to reflect payments from France, Italy and the United Kingdom of Great Britain and Northern Ireland.

3. **Ms. Halloway** (Belgium), speaking on behalf of the European Union, the acceding countries (Bulgaria and Romania), the candidate countries (Croatia and Turkey), the stabilization and association process countries Albania, Serbia and Montenegro and the former Yugoslav Republic of Macedonia, and, in addition, Liechtenstein and Ukraine, said that responding to the Secretariat's twice-yearly presentations to Member States on the Organization's financial situation was difficult. On each occasion, the European Union highlighted the risks to the Tribunals' operation and completion strategies, the serious cash-flow situation of the peacekeeping missions and the deficit in the regular budget, but the situation never improved substantially. Although more than one third of the way through 2005, only 72 Member States had made full payments to the regular budget. Meanwhile, peacekeeping budget arrears were already $2 billion and attempts to discuss incentives and disincentives were dismissed out of hand.

4. Member States faced budget constraints, but the United Nations could not do what Member States wished and expected without adequate resources. Peacekeeping was not free and the Organization could not afford to build up a debt to troop-contributing countries without jeopardizing their ability to continue providing troops. While the European Union must once again appeal to Member States to match their political will with the necessary funds, it emphasized that Member States would do no more than pay lip service to reform unless they financed the mandates which they themselves established.

5. **Ms. Taylor Roberts** (Jamaica), speaking on behalf of the Group of 77 and China, said that despite the improved cash position of the regular budget and that of the Tribunal and peacekeeping accounts at the end of 2004 compared to the end of 2003, there was no room for complacency. Judged by assessments authorized, unpaid assessments, available cash and amounts owed to Member States, the overall financial position for 2005 was not positive.

6. The Organization would need to resort to cross-borrowing from closed peacekeeping missions, particularly for the Tribunals, whose financial position was still precarious despite the reduction in outstanding assessments. Meanwhile, the level of peacekeeping assessments had doubled in 2004, with new and expanded missions placing additional strain on Member States. The worsening arrears in reimbursements to States, which were caused partly by delays in the signing of memorandums of understanding and partly by the failure to pay assessments, were a cause of concern.

7. The Group of 77 and China reaffirmed Member States' obligation under the Charter to bear the Organization's expenses, while allowing that some States might be temporarily unable to meet their obligations because of genuine economic difficulties. The Organization was responsible not just for peace and security, but also for development and the development activities mandated by the General Assembly should therefore be adequately funded.

8. **Mr. Kabuku** (Namibia), speaking on behalf of the African Group, which associated itself with the statement made by the representative of Jamaica on behalf of the Group of 77 and China, said that the situation of the International Tribunals remained a concern, with the International Criminal Tribunal for

Rwanda (ICTR) ending 2004 with a negative cash balance. Two thirds of the Organization's Members had contributions outstanding to one or both Tribunals, and a dozen Members had made no contributions at all. That affected the Tribunals' ongoing activities and the planning of future activities. Only timely payment of assessed contributions would enable the Tribunals to speed up their activities and complete their mandates. In that connection, the Group welcomed the lifting of the Tribunals' recruitment freeze.

9. While the peacekeeping budget was at its highest ever level, peacekeeping operations had immense long-term benefits and the Group was therefore bearing its share of the budget despite facing financial constraints. The crucial activities of ongoing operations were threatened by the fact that only 20 Member States had fully paid their assessments by the end of 2004 and still fewer had paid by the end of April 2005. The Group therefore favoured retaining the $93 million that was available in the accounts of closed operations, as the Secretary-General had proposed and the Advisory Committee had recommended.

10. All Member States must pay their assessed contributions to the various United Nations accounts in full and on time and voluntary contributions should not be linked to assessed contributions. Even as the Organization's financial needs rose, the need to improve the economic and social situation of developing countries in general and African countries in particular increased even more in scale and urgency. However, such efforts would translate into more stability and fewer peacekeeping activities.

11. Although the debt owed to Member States was lower overall in 2005 than in 2004, reimbursements had been delayed and seemed unlikely to accelerate. Many African countries were troop contributors and expected more regular payments in order not to jeopardize their continued participation in such operations.

12. Member States should remain sensitive to the unfortunate position of those among them who could not pay their contributions in full and on time because of genuine financial difficulties. Finally, the Group wished to express its appreciation to Egypt for the recent contribution of $10,000 to ICTR.

13. **Mr. Torres Lépori** (Argentina), speaking on behalf of the Rio Group, said that the Organization's financial situation continued to be fragile and serious problems remained. The scale of assessments often failed to reflect Member States' actual ability to pay, leading to arrears, particularly as peacekeeping budgets increased.

14. The Rio Group States made strenuous efforts to keep up with their payments, but had sometimes been unable to do so despite considerable sacrifice. Some were facing persistent financial crises with caused by factors outside their control and their inability to make timely payment must not be interpreted as a lack of commitment to the Organization. In fact, they strongly supported multilateralism and the United Nations as the foremost international forum.

15. While the slight improvement in reimbursements to States which contributed troops and equipment to peacekeeping operations was positive, a lasting effect would only come with the signing of memorandums of understanding and the payment of assessments.

16. **Mr. Ozawa** (Japan) said that the fragile financial situation of the United Nations was the cumulative result of increased expenditures arising from additional mandates and of Member States' failure to pay their dues. While recognizing that Member States must fulfil their obligations, he would like the Secretariat, in the interests of grappling effectively with emerging and compelling challenges, to consider three additional issues.

17. The first was to examine whether the Secretariat thoroughly explained its proposals for additional expenditure. Clearly, the draft budget should be explained comprehensively, particularly when it entailed additional expenditure. Although peacekeeping assessments had risen in 2004 to more than double the previous year's level and the regular budget had expanded significantly, in part because of additional safety costs and special political missions, Japan had been paying its contributions in full, with no conditions. That had been no easy feat, as the country's taxpayers were demanding scrutiny of all expenditure growth with increasing vigour.

18. Some peacekeeping budget proposals had been substandard from the point of view of accountability. Despite the Secretariat's time constraints, it should take accountability to Member States as seriously as Member States took accountability to their taxpayers. He shared the concern of the Advisory Committee that the Secretariat at times tried to introduce policy

changes without full explanation in the context of the budget.

19. The second was to examine whether the Secretariat made sufficient effort to utilize existing resources efficiently and effectively. Member States all agreed on that goal and had requested the Secretariat to submit at the current part of the resumed session a report on the review of the management structure of all peacekeeping operations. If the Committee had had that report, it could have considered how each mission could operate more effectively and efficiently.

20. Although the Organization had invested heavily in communication and information technology to build up its peacekeeping capacity, Member States had rarely heard of any resulting reductions in posts. Moreover, the Advisory Committee had observed that Headquarters seemed to have little or no involvement in monitoring the evolution of structures in individual missions. He therefore questioned whether the Secretariat was genuinely striving for optimum use of resources.

21. In the context of the regular budget, the General Assembly had requested the Secretary-General to begin the redeployment of up to 50 posts on an experimental basis during the current biennium. Regrettably, although the Secretariat could have used such flexibility to address new needs more efficiently and expeditiously, it had achieved little. More effort should be made to utilize existing resources through more active redeployment.

22. The third was to examine whether the Secretariat had struck the right balance between assessed and voluntary contributions. Higher assessments would not by themselves result in better outcomes. Proposals to use assessed contributions to finance activities that had been traditionally financed through voluntary contributions required careful and serious consideration, since they could have both intended and unintended consequences. The unintended consequences could be detrimental to the United Nations system as a whole. Assessed and voluntary contributions had different roles and characteristics and did not receive the same kind of political support. It was important to remember that assessed contributions were not subsidies.

23. The improved financial situation of the International Tribunals was a positive development and it was his understanding that they would not waver from their commitment to complete their work in accordance with their exit strategies.

24. His Government controlled expenditure and maintained financial health by paying close attention to the level of revenues, eliminating duplication and avoiding inefficiency. However, in the United Nations, revenue was based, in principle, on mandatory contributions and tended to be taken for granted, an expectation which did not pass the reality test. A very conscious effort must be made to enhance the Organization's budgetary discipline.

25. **Mr. Sun** Xudong (China) said that his delegation welcomed the improvement in the financial situation of the United Nations during 2004 and hoped to see further improvement in the future. However, the increasingly large peacekeeping budget had created certain difficulties for Member States regarding the timely payment of their assessed contributions. The Secretariat should update its statistics regarding China's peacekeeping assessments, since payments in the amount of $82 million had been made between 1 January and 18 May 2005. China had thus fulfilled its own responsibilities and obligations and trusted that other Member States would do likewise.

26. **Mr. Shin** Kak-soo (Republic of Korea) said that the financial situation of the United Nations presented a mixed picture. While the anticipated improvement in cash flow was a welcome development, the two International Tribunals were still expected to have a net negative cash balance by the fourth quarter of 2005. And although outstanding contributions to the regular budget had dropped by 19 per cent, the number of Member States having paid their assessed contributions in full had decreased and an end-of-year negative cash balance was forecast.

27. The financial situation of the International Tribunals remained a cause for concern. Those who committed egregious international crimes must be brought to justice, but the International Criminal Tribunals for Rwanda and the Former Yugoslavia had been costly and might be diverting resources from other vital United Nations activities, such as peacekeeping. Ensuring that the Tribunals completed their work on schedule would require diligent efforts on the part of all concerned and Member States must do their part by paying their assessments on time and in full. In so doing, they would not only be supporting

the cause of justice but would also be substantially reducing the overall cost of United Nations operations.

28. The cost of peacekeeping operations was continuing to rise. While his delegation welcomed the increasingly active peacekeeping role played by the United Nations, it remained concerned about the growing burden that those rapidly escalating costs had placed on Member States. The Republic of Korea had always paid its regular budget and Tribunal assessments in full and on time, but, owing to a combination of rising costs and increased assessments, it had not always been able to fulfil its obligations in respect of the peacekeeping budget. If that budget stabilized, as had been forecast, the Republic of Korea would be able to pay its future assessments in full, but emergencies were, by their very nature, unpredictable. The United Nations must be prepared to face any situation that arose and, in that regard, the Security Council should consult with major contributors during the decision-making process for new peacekeeping missions. A more transparent and consultative approach would give Member States a greater sense of ownership and help them to convince their Government to provide the necessary funding.

29. As the United Nations budgets grew, it was all the more important to subject them to detailed scrutiny to ensure that efficiencies were maximized. In that connection, his delegation encouraged the Secretariat to continue to expand its use of results-based budgeting, a valuable tool that could provide the kind of rigorous oversight required at every stage of the budgeting process. By giving a more detailed picture of the purposes and results of expenditures, results-based budgeting would help Member States to understand how their assessments were being used by the Organization. It would therefore be easier to convince domestic audiences that their assessments were being well-spent and should be paid on time.

30. **Mr. Iosifov** (Russian Federation) said that, despite the relative stabilization of the financial situation, there had still been no substantial change in the payment of assessment arrears, especially for peacekeeping. The Organization would be forced to resort to cross-borrowing and to delay reimbursement to Member States of amounts remaining in the accounts of closed peacekeeping missions.

31. The Organization's budgets had increased because the international community had been forced to respond to new challenges by stepping up peacekeeping activities. In those circumstances, all Member States must fulfil their financial obligations in full and on time, but they were also entitled to expect from the Secretariat prudent financial planning, realistically assessed human and financial resource requirements, financial discipline and accountability.

32. The Russian Federation paid its assessments in full and on time in order to lend comprehensive support to the Organization and called on all Member States to do likewise, to comply with the Charter and to consolidate the leading role of the United Nations in the system of international relations.

33. **Mr. Berti Oliva** (Cuba) regretted the late issuance of the Secretary-General's report on improving the financial situation of the United Nations (A/59/524/Add.1), which merited substantive discussion and follow-up by Member States. The situation described in the report was troubling, especially since the fundamental changes in the scale of assessments for the regular budget and the peacekeeping operations, adopted by General Assembly resolutions 55/5 and 55/231, had brought a significant increase in the assessed contributions of many States and had further undermined the principle of capacity to pay as the fundamental factor in determining the level of assessed contributions.

34. Partly as a result of the increase in assessed contributions following the lowering of the ceiling rate, a large number of developing countries, including Cuba, had been unable to pay their assessed contributions, despite their best efforts. Moreover, delayed reimbursements to troop-contributing countries was affecting their ability to repay their debts to the Organization. Action should be taken to correct that situation. In particular, the General Assembly should pay close attention to the payments made by the Organization's principal debtor, the United States, and, if necessary, raise the ceiling rate for the assessment of contributions for the triennium 2007-2009. Cuba remained determined to meet its financial obligations to the United Nations, despite the difficulties being experienced as a result of the genocidal economic, trade and financial embargo imposed by the United States.

35. **Mr. Mazumdar** (India) said that his delegation endorsed the statement made by the representative of Jamaica on behalf of the Group of 77 and China, as

well as the statement made by Belgium on behalf of the European Union. The Secretary-General's report gave several grounds for concern. It was alarming that so many Member States had still not paid their assessed contributions. The only positive note was that the absolute amount outstanding had fallen, despite the increase in assessments, indicating that the problem lay with a growing number of developing countries that were finding it hard to make payments. The Committee should address the question of whether the burden on such Member States could be reduced in order to place the finances of the United Nations on a sounder footing.

36. Since the cash position of the Organization was expected to deteriorate throughout the rest of the year, requiring cross-borrowing from the accounts of closed peacekeeping missions, it would be imprudent to draw down such balances in the form of reimbursements to Member States. The level of unpaid assessed contributions for peacekeeping operations was unacceptably high and the financial situation of certain missions, notably the United Nations Interim Administration Mission in Kosovo (UNMIK) and the United Nations Mission for the Referendum in Western Sahara (MINURSO), was a matter for concern. The General Assembly should take steps to resolve the issue and Member States that had not paid their assessments to those Missions should not try to block the search for a solution. Furthermore, the Secretariat could not afford to neglect payments owed by Member States for closed peacekeeping missions and should be more proactive in that regard.

37. India was also concerned about delays in the reimbursement of troop-contributing countries. Of particular concern was the situation with regard to the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC), which was significantly behind other missions in that respect. It was regrettable that on an agenda item of such crucial importance, Member States were limited to formal statements, with no opportunity for detailed interaction and decision. Those who had opposed more comprehensive treatment of the item should explain the reasons why.

38. **Mr. Simancas** (Mexico) said that his delegation was concerned at the size of the total budget for peacekeeping operations, which had considerable impact on Member States' payment capacities. Mexico was determined to provide peacekeeping operations with the necessary resources, and had made considerable progress in that regard during the first few months of 2005. He hoped that strict budgetary discipline would be imposed with respect to the budgets of peacekeeping operations.

39. **Mr. Karia** (Director of the Accounts Division in the Office of Programme Planning, Budget and Accounts), responding to the statement made by the representative of Namibia, said that the budget of ICTR had indeed ended 2004 with a negative cash balance of $5 million. The projected outcome for the year 2005, based on the current pattern of receipts, was of a similar magnitude, but would ultimately depend on the level of contributions received.

40. **Mr. Gilpin** (Chief of the Contributions Service), responding to the statement made by the representative of China, said that, as indicated in paragraph 19 of the Secretary-General's report (A/59/524/Add.1), a significant volume of peacekeeping assessments had been received during the first few months of 2005, including significant payments by China. As of the end of April 2005, only two Member States, not including China, owed more than $100 million for peacekeeping.

Agenda item 108: Programme budget for the biennium 2004-2005 (*continued*) (A/59/441/Add.1)

Capital master plan

41. **Mr. Clarkson** (Officer-in-Charge of the Capital Master Plan Project) introduced the Secretary-General's report on the capital master plan (A/59/441/Add.1), which had been reissued for technical reasons. Annex III to the report contained the text of three letters from the host country addressed to the Under-Secretary-General for Management.

42. Addressing the questions raised by the Committee at its previous meeting (A/C.5/59/SR.53) concerning the host country's loan offer, he said that the Director of the General Legal Division would issue a written statement in response to questions that concerned the legal implications of the offer. A number of Member States had raised questions concerning the contents of the third annual progress report on the implementation of the capital master plan, which would be submitted to the General Assembly at its sixtieth session and would include a detailed assessment of the cost, advantages and disadvantages

of temporary locations during the period of refurbishment.

43. It should be recognized that the real estate market was constantly changing and that specific, up-to-date details would be required to determine the cost of temporary swing space for the capital master plan. Full details of possible funding modalities, including the option of paying for the plan through cash assessments, would be included in the third progress report, as would details on an appropriate cash reserve and the latest estimates of project costs, including revised construction estimates.

44. With respect to questions raised concerning expenditures, a breakdown of past expenditures and disbursements as well as projected monthly disbursements to the end of 2006 had been prepared and would be provided during the Committee's informal discussions. However, it should be recalled that the nature of the design and construction process was such that adjustments would need to be made throughout the project, particularly in the planning stage. On the advice of the programme management firm, several major design issues had been addressed early in the process. Schedules for other parts of the design work had consequently been pushed back, resulting in delayed disbursements. That process would produce a smoother and integrated design process, maintaining the 2007 schedule for completion of the design work. Three financial institutions had provided information to the United Nations, at no cost, regarding the offer of a loan by the host country.

45. With regard to questions about the advisory board that was to be established to provide input on financing and location options, a broad list of possible candidates had been developed. It was anticipated that three specialties would be required: financial experts, construction experts and experts on architectural integrity. It had been decided that the best strategy would be to approach potential chairpersons, who would then be able to advise on the formation of the board and on other possible candidates. The Under-Secretary-General for Management had held meetings with prominent candidates, but all had declined, on the grounds that membership of the board would require considerable knowledge of the plan, that board members would take on an implied liability, and that such advice was better obtained from working experts in the respective fields.

46. Consequently, a request for expressions of interest had been placed for a firm to act as consultant and adviser on financing issues, and construction advice was being obtained from the programme management firm. If independent advice on architectural integrity proved necessary, it would be required later in the project.

47. **Mr. Rashkow** (Director of the General Legal Division in the Office of Legal Affairs) drew the attention of the Committee to a memorandum from the Legal Counsel addressed to the Officer-in-Charge of the Department of Management regarding the process for accepting the loan offer of the United States Government.

48. Summarizing the essential elements of the memorandum, he recalled that a number of Committee members had not seen the content of the three letters from the host country contained in annex III to the Secretary-General's report (A/59/441/Add.1), and regretted any confusion that might have caused. In its letters the United States Government had set out the basic terms of the loan offer and indicated that the offer must be accepted by 30 September 2005. It had also requested an indication as to whether the United Nations intended to accept the offer. If that were the case the United States and the United Nations would enter into negotiations to conclude a loan agreement. The first step for the United Nations was thus to indicate in principle that it intended to accept the offer.

49. Paragraph 39 of the Secretary-General's report set out two fundamental understandings that would be requested by the United Nations, in addition to the basic terms set out by the host country. First, the loan agreement would not create for the United Nations any legal or financial obligation to borrow any part of the $1.2 billion from the host country or in any way restrict the Organization's discretion in deciding whether to borrow such funds. Second, the agreement would not restrict the authority and discretion of the United Nations to seek funds for the same purposes from any other source, if the Organization chose to do so.

50. The United Nations would also add a further understanding, to the effect that the agreement would permit the Organization to utilize the commitment of the United States Government to provide funds under the loan agreement as collateral for obtaining funds for the plan at lower interest rates than those provided in

the loan agreement, and otherwise permit the Organization to benefit financially from the temporary depositing of funds disbursed to the Organization.

51. If the United Nations was unable to reach an agreement with the United States Government that reflected those basic understandings and conditions, the matter would be referred back to the General Assembly. The United Nations would enter into an obligation only when the agreement was signed and only when it had borrowed money.

52. **Mr. Berti Oliva** (Cuba) said that the General Assembly would need further information in addition to that provided in the memorandum from the Legal Counsel before taking any decision on the host country's loan offer. The memorandum and the statement by the Director of the General Legal Division should be issued as official documents. In paragraph 5 of the memorandum, the Legal Counsel stated that the Administration was prepared to accept the basic terms of the loan agreement, as set out in the three letters from the United States Government. He would appreciate confirmation that that was the case.

53. **Mr. Jonah** (Sierra Leone) said that, while his delegation had no difficulty with the legal arguments put forward, it was concerned about the delays in securing a site for the construction of the swing space building. Those delays had arisen because of political, not technical or financial reasons. He sought assurance that the situation would be resolved before the deadline for signature of the loan agreement on 30 September 2005.

54. **Mr. Pulido León** (Bolivarian Republic of Venezuela) requested additional information concerning mixed funding arrangements. It would be helpful to know, for example, whether Member States that elected to pay their share of the capital master plan costs up front, rather than participate in the loan agreement with the host country, would be liable for the interest on the loan or for late payment fees. His delegation would not accept any arrangement under which it was required to pay interest.

55. **Mr. Simancas** (Mexico) expressed surprise that no reference was made in the memorandum from the Legal Counsel to the interest payable on the loan. The United Nations had never before taken out an interest-bearing loan. Moreover, at the maximum rate of 5.54 per cent, the total principal and interest repaid over the life of the loan would amount to over $2.5 billion, which was a very substantial sum.

56. **Mr. Matsunaga** (Japan) said that it was not clear to his delegation how the terms of the actual loan agreement would differ from those set out in the three letters from the United States Government (A/59/441/Add.1, annex III) and whether the provisions to be agreed on by 30 September 2005 included the amount of the loan and the repayment period.

57. **Mr. Elnaggar** (Egypt) asked what percentage of the funds required for the capital master plan would need to be available when the renovation began.

58. **Mr. Iosifov** (Russian Federation) observed that, according to the memorandum from the Legal Counsel, the basic terms of the loan offer were set out in the three letters from the United States Government. However, the scope and content of the most recent letter, dated 15 March 2005, differed from that of the first letter, dated 20 February 2004. He would appreciate clarification on the matter.

59. **Mr. Mazumdar** (India) noted that the Organization was required to send a letter to the United States Government indicating its intention to accept the loan offer and to conclude a loan agreement with the host country. It was his understanding that both steps would have to be completed before 30 September 2005. If that was the case, in the interests of transparency, the Secretariat should indicate to delegations in informal consultations what form the loan agreement would take.

60. **Ms. Wang** Xinxia (China) pointed out that, according to paragraph 3 of the memorandum from the Legal Counsel, if the Organization decided to accept the host country's loan offer, it would then enter into negotiations with the United States Government in order to conclude a loan agreement, whereas the Secretary-General's report (A/59/441/Add.1) stated in paragraph 39 (b) that the United Nations could accept the loan offer simply as a way of keeping that option open. The Secretariat should explain the differences between the two documents, legally speaking.

61. **Mr. Ng'ongola** (United Republic of Tanzania) asked how much Member States would pay in assessed contributions if the cash payment option were selected.

62. **Mr. Clarkson** (Officer-in-Charge of the Capital Master Plan Project) said that, while the United

Nations Development Corporation (UNDC) was endeavouring to secure the legislative approvals required for construction of the swing space building, the Administration could not give any assurance that that would occur before 30 September 2005. However, the time frame for the construction of UNDC-5 had no bearing on the loan agreement. Comprehensive information on the loan offer, including the interest payable, was provided in section II of the Secretary-General's report. The host country had offered a loan of up to $1.2 billion, which could be repaid over a maximum of 30 years. The United Nations would borrow no more than was needed to implement the capital master plan, and it would have the option of selecting a shorter repayment period.

63. It was important to distinguish between the construction costs for the capital master plan and the overall project costs. Projected construction disbursements, exclusive of swing space costs, were shown in table 1 of the Secretary-General's report. Revised figures would be provided in the third progress report. Approximately 50 per cent of the construction costs would have to be available when the work began. In other words, a loan agreement would have to be in place, or Member States would have to have paid the necessary amount through assessed contributions.

64. **Mr. Rashkow** (Director of the General Legal Division in the Office of Legal Affairs) said that the loan agreement would be between the United States Government and the United Nations. It would not stipulate what internal arrangements the Organization should make for repayment of the loan. That would be a matter for the General Assembly to decide.

65. While the three letters from the United States Government addressed different aspects of the loan offer, the basic terms set out were the same in each letter. As stated in the letter dated 15 March 2005, the overall amount of the loan and the repayment period cited in the three letters were the maximum loan amount and repayment term. However, the United Nations could choose a lower amount, a shorter term or a different disbursement period.

66. The memorandum from the Legal Counsel differed from paragraph 39 (b) of the Secretary-General's report in one important respect: paragraph 6 of the memorandum contained an additional understanding to the effect that, under the agreement to be concluded, the United Nations would have the option of using the host country's loan as collateral for obtaining funds from an alternative source at a lower rate of interest. That understanding was designed to protect the Organization's interests.

67. The United Nations was required both to send a letter to the United States Government indicating its intention to accept the loan offer and to conclude a loan agreement with the host country by 30 September 2005. Otherwise, the offer would expire. The loan agreement would reflect the basic terms set out in the three letters, as well as the additional understandings contained in paragraph 39 of the Secretary-General's report and paragraph 6 of the memorandum from the Legal Counsel. It would also include certain technical provisions. As indicated in paragraph 5 of the memorandum, the Administration was satisfied with the basic terms of the offer and ready to accept it. Accordingly, the memorandum had not addressed any alternatives to the option of an interest-bearing loan.

68. **The Chairman** said that the memorandum would be issued as an official document.

69. **Mr. Jonah** (Sierra Leone) said he was astonished at the assertion that there was no linkage between the loan agreement and the swing space arrangements. The first letter from the United States Government stated that its proposal was part of an overall package offered to the United Nations, which included the offers by the city of New York and the state of New York to construct a swing space building. Statements had been made in the United States Congress to the effect that, if the Secretary-General found alternative swing space, the loan offer would be reconsidered.

70. **Mr. Simancas** (Mexico) reiterated that there was no precedent in the Organization's history for accepting an interest-bearing loan. His delegation therefore wished to know why the memorandum from the Legal Counsel did not address that issue.

71. **Mr. Mazumdar** (India) noted that neither the Committee nor the General Assembly would have the opportunity to revert to the agreement negotiated between the United Nations and the United States Government before it was signed. However, there seemed to be a good understanding regarding the constituent elements of the agreement, and it should therefore be possible for the Secretariat to provide delegations with an outline of the agreement before the end of the current session.

72. **Mr. Rashkow** (Director of the General Legal Division in the Office of Legal Affairs), replying to the question posed by the representative of Mexico, said that the basic terms of the agreement, including the amount to be loaned and the rate of interest, were set out in the three letters from the United States Government, to which the Legal Counsel's memorandum referred. In addition to those basic terms and conditions, the proposed letter from the Organization to the United States Government would also include the two understandings set out in paragraph 39 (b) of the Secretary-General's report and one additional understanding, the details of which were contained in paragraph 6 of the memorandum.

73. With regard to the request made by the representative of India, before entering into negotiations on any kind of agreement, it was customary to agree on its basic terms and conditions. The contents of the proposed letter to the United States Government, as contained in the Legal Counsel's memorandum, were an adequate reflection of that process. In his view, it would be difficult to provide the Committee with a draft of the proposed loan agreement before the relevant negotiations were concluded, but he was prepared to defer to the opinions of his colleagues from the Department of Management and the Capital Master Plan Project on that matter.

74. **Mr. Clarkson** (Officer-in-Charge of the Capital Master Plan Project) apologized to the representative of Sierra Leone for any misunderstanding. The deadline for accepting the host country's offer of a loan, 30 September 2005, had no bearing on the UNDC-5 project.

75. **Mr. Mazumdar** (India) pointed out that Member States were being asked to authorize the Secretary-General to sign an agreement that they had not seen. In addition, one Member State was in the unique position of being on both sides of the negotiations. He reiterated his request that a draft copy of the proposed agreement, including the technical elements referred to by Mr. Rashkow, should be made available to the Committee.

76. **The Chairman** said that it was his understanding that the additional elements referred to by Mr. Rashkow consisted of the detailed technical provisions that routinely accompanied loan agreements and were designed to protect the interests of the lender and the borrower. Those provisions should not derogate from the fundamental parameters of the agreement as set out in the letters from the United States Government and the Legal Counsel's memorandum. Given that the Organization was in the rather unusual position of entering into negotiations with one of its Member States, it was unclear how much information could be made available to the Committee at the current stage. Nevertheless, he would be grateful if the Office of Legal Affairs could provide additional background material so as to facilitate consideration of the issue.

77. **Mr. Ramlal** (Trinidad and Tobago) recalled that, in document A/58/599, the Secretary-General had observed that the overall schedule for the implementation of the plan was dependent on three interconnecting factors: the availability of funding, the availability of swing space and the progress of technical preparations. In that connection, he endorsed the remarks made by the representative of Sierra Leone.

78. Turning to the request for authorization contained in paragraph 39 (b) of document A/59/441/Add.1, he noted that the proposed course of action represented a fundamental departure from the Secretary-General's original stance, which had been based on three considerations: the importance of ensuring that the capital master plan was implemented in a cost-effective and timely manner, the desire to minimize disruptions to the work of the Organization and a disinclination to resort to commercial borrowing. According to the second annual progress report on the implementation of the capital master plan (A/59/441), an interest-free loan would have been the most advantageous option for the United Nations, yet the report currently before the Committee suggested moving ahead with the process of obtaining an interest-bearing loan. It was difficult to understand how the situation had evolved so radically.

79. **Mr. Stoffer** (United States of America) observed that, in his report, the Secretary-General was merely asking the General Assembly to authorize him to conclude an agreement to preserve the option of accepting a loan from the host country. However, he wished to clarify a number of matters. First, the two additional understandings mentioned in paragraph 5 of the Legal Counsel's memorandum were perfectly acceptable to the United States Government. Secondly, the proposed loan agreement would not require negotiation, since the relevant terms of reference had

already been set out in the various reports of the Secretary-General. The agreement would mirror that concluded in 1948 for the financing of the construction of the Headquarters complex, a copy of which could be circulated during informal consultations.

80. Thirdly, 5.54 per cent per annum was the maximum rate of interest applicable to the loan. If the Organization decided to borrow less than $1.2 billion and/or opted for a shorter repayment period, that rate would decrease. Indeed, if the repayment period was set at 10 years, the resulting interest rate would be almost equal to the prime rate offered to United States banks by the Federal Reserve. Lastly, the Organization could use the full amount of $1.2 billion as collateral without ever drawing down any funds. Construction could therefore begin on time and Member States would not need to be assessed for a proportion of the construction costs in 2006.

81. The United States Congress had made provision for the loan in its fiscal budget for 2005, which would expire at midnight on 30 September 2005. If the Secretary-General decided to accept the offer, the funds would be made available immediately but the Organization would be under no obligation to draw them down. He stressed that Congress had made no provision for the loan in its 2006 fiscal budget and did not intend to do so.

82. **Mr. Clarkson** (Officer-in-Charge of the Capital Master Plan Project) emphasized that the General Assembly was not being asked to make a decision on whether or not to accept the loan from the host Government. Rather, it was being asked to keep all financing options open. A final decision on whether to finance the capital master plan through an interest-bearing loan from the host country, assessed contributions, voluntary contributions or commercial borrowing would be sought at the Assembly's sixtieth session.

The meeting rose at 12.30 p.m.

United Nations A/C.5/59/SR.55

General Assembly
Fifty-ninth session

Official Records

Distr.: General
17 June 2005

Original: English

Fifth Committee

Summary record of the 55th meeting
Held at Headquarters, New York, on Wednesday, 25 May 2005, at 3 p.m.

Chairman: Mr. MacKay ..... (New Zealand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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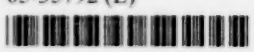
05-35792 (E)



The meeting was called to order at 3.15 p.m.

Agenda item 129: Financing of the United Nations Mission of Support in East Timor (*continued*) (A/59/637, A/59/655 and A/59/736/Add.17)

1. **Mr. Sach** (Controller) introduced the Secretary-General's performance report on the budget of the United Nations Mission of Support in East Timor (UNMISET) for the period from 1 July 2003 to 30 June 2004 (A/59/655) and his report on the budget for UNMISET for the period from 1 July 2005 to 30 June 2006 (A/59/637).

2. By its resolutions 57/327 and 58/260 A, the General Assembly had approved a total amount of $208.8 million for the maintenance of the Mission for the period from 1 July 2003 to 30 June 2004. Of that amount, total expenditure of $196 million had been recorded, resulting in an unencumbered balance of $12.8 million. The underexpenditure was attributable to the faster than projected downsizing of military contingents, civilian police personnel and related international staff, and to savings from air operations. The related actions sought from the General Assembly were set out in paragraph 25 of the Secretary-General's report (A/59/655).

3. The report contained in document A/59/637 essentially addressed the "liquidation" budget for UNMISET for the period from July to October 2005. The original budget estimate had been for $3.9 million, a substantial reduction compared with the previous year's full operational budget. Liquidation had moved ahead faster than expected during the current financial period. As a result, the revised requirement for liquidation was $1,662,200, which was some $2.1 million less than originally anticipated. The updated requirements concerned operational costs, mainly relating to facilities and infrastructure, and reflected a reduction from $1.8 million to $0.7 million with respect to the proposed budget.

4. **Mr. Saha** (Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/59/736/Add.17), said that the Advisory Committee recommended that the unencumbered balance of $12,819,900, as well as other income and adjustments amounting to $5,246,000, should be credited to Member States in a manner to be determined by the General Assembly, as set out in paragraph 12 of the report. With respect to the liquidation budget of the Mission, the Advisory Committee recommended acceptance of the Secretary-General's proposal contained in paragraph 21 of document A/59/637.

5. **Mr. Lantu** (Indonesia) said his delegation was pleased that UNMISET had been able to discharge its mandate, and acknowledged the Mission's contribution towards making Timor-Leste more politically and economically self-reliant. However, Timor-Leste was still some distance away from full self-reliance. Development was a never-ending process, and his delegation therefore welcomed the establishment of the United Nations Office in Timor-Leste (UNOTIL). In the interests of good bilateral relations, Indonesia stood ready to assist Timor-Leste in its efforts to achieve its national goals, and the establishment of the Truth and Friendship Commission was important in that regard. Nevertheless, his delegation was concerned about some of the contents of the reports before the Committee and would seek clarification in the informal consultations.

The meeting rose at 3.25 p.m.

United Nations A/C.5/59/SR.56

General Assembly
Fifty-ninth session

Official Records

Distr.: General
23 June 2005

Original: English

Fifth Committee

Summary record of the 56th meeting
Held at Headquarters, New York, on Wednesday, 1 June 2005, at 10 a.m.

Chairman: Mr. MacKay ..... (New Zealand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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Agenda item 17: Appointments to fill vacancies in subsidiary organs and other appointments (*continued*)

(b) Appointments of members of the Committee on Contributions (*continued*)

Agenda item 106: Financial reports and audited financial statements, and reports of the Board of Auditors (*continued*)

Agenda item 125: Financing of the United Nations Mission in Bosnia and Herzegovina (*continued*)

Agenda item 132: Financing of the activities arising from Security Council resolution 687 (1991) (*continued*)

(a) United Nations Iraq-Kuwait Observation Mission (*continued*)

Expression of farewell to the Chairman

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05-36907 (E)

The meeting was called to order at 10.15 a.m.

Agenda item 17: Appointments to fill vacancies in subsidiary organs and other appointments (*continued*)

(b) Appointment of members of the Committee on Contributions (*continued*) (A/59/102/Add.2; A/C.5/59/6/Add.2)

1. **The Chairman** drew attention to document A/59/102/Add.2, in which the Secretary-General informed the General Assembly that he had received notification of the resignation of Mr. Alvaro Gurgel de Alencar Netto (Brazil) from the Committee on Contributions. Accordingly, the Assembly was required to appoint a person to fill that vacancy for the remaining period of the term of office of Mr. Gurgel de Alencar, which would expire on 31 December 2005. In that connection, he drew attention to document A/C.5/59/6/Add.2, in which the Secretary-General informed the General Assembly that the Government of Brazil had nominated Mr. Henrique da Silveira Sardinha Pinto to fill the unexpired portion of the term of office of Mr. Gurgel de Alencar. His candidature had been endorsed by the Group of Latin American and Caribbean States. If there was no objection, he would take it that the Committee wished to recommend that the General Assembly should appoint Mr. Henrique da Silveira Sardinha Pinto as a member of the Committee on Contributions, for a term beginning on the date of his appointment by the General Assembly and expiring on 31 December 2005.

2. *It was so decided.*

Agenda item 106: Financial reports and audited financial statements, and reports of the Board of Auditors (*continued*) (A/C.5/59/L.50)

Draft resolution A/C.5/59/L.50

3. *Draft resolution A/C.5/59/L.50 was adopted.*

Agenda item 125: Financing of the United Nations Mission in Bosnia and Herzegovina (*continued*) (A/C.5/59/L.51)

Draft resolution A/C.5/59/L.51

4. *Draft resolution A/C.5/59/L.51 was adopted.*

Agenda item 132: Financing of the activities arising from Security Council resolution 687 (1991) (*continued*)

(a) United Nations Iraq-Kuwait Observation Mission (*continued*) (A/C.5/59/L.62)

Draft decision A/C.5/59/L.62

5. Draft decision A/C.5/59/L.62 was adopted.

Expression of farewell to the Chairman

6. After an exchange of courtesies, in which **Ms. Taylor Roberts** (Jamaica), speaking on behalf of the Group of 77 and China, **Mr. Van den Bossche** (Belgium), speaking on behalf of the European Union, **Mr. Mekdad** (Syrian Arab Republic), **Mr. Torres Lépori** (Argentina), speaking on behalf of the Rio Group, **Mr. Jonah** (Sierra Leone), speaking on behalf of the African Group, **Ms. Chong** (Brunei Darussalam), speaking on behalf of the Asian Group, **Ms. Ebbesen** (United States of America), **Ms. Taylor** (Australia), speaking also on behalf of Canada and New Zealand, **Mr. Ramlal** (Trinidad and Tobago), **Mr. Elnaggar** (Egypt), **Mr. Mazumdar** (India), **Mr. Iosifov** (Russian Federation), **Mr. Berti Oliva** (Cuba), **Mr. Kozaki** (Japan), **Ms. Skaare** (Norway) and **Mr. Terzi** (Turkey), took part, **the Chairman** thanked the members of the Committee, the Bureau and the Secretariat for their hard work and collegial spirit, which had greatly facilitated his task during his term of office.

The meeting rose at 11.05 a.m.

United Nations A/C.5/59/SR.57

General Assembly
Fifty-ninth session

Official Records

Distr.: General
27 June 2005

Original: English

Fifth Committee

Summary record of the 57th meeting
Held at Headquarters, New York, on Wednesday, 8 June 2005, at 10 a.m.

Chairman: Ms. Samayoa-Recari (Vice-Chairman) ..... (Guatemala)
Later: Ms. Lock (Vice-Chairman) ..... (South Africa)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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Agenda item 123: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

Agenda item 124: Financing of the United Nations Angola Verification Mission and the United Nations Observer Mission in Angola (*continued*)

Agenda item 126: Financing of the United Nations Peacekeeping Force in Cyprus (*continued*)

Agenda item 127: Financing of the United Nations Organization Mission in the Democratic Republic of the Congo (*continued*)

Agenda item 129: Financing of the United Nations Mission of Support in East Timor (*continued*)

Agenda item 130: Financing of the United Nations Mission in Ethiopia and Eritrea (*continued*)

Agenda item 131: Financing of the United Nations Observer Mission in Georgia (*continued*)

Agenda item 133: Financing of the United Nations Interim Administration Mission in Kosovo (*continued*)

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05-37667 (E)

Agenda item 134: Financing of the United Nations Mission in Liberia (*continued*)

Agenda item 135: Financing of the United Nations peacekeeping forces in the Middle East (*continued*)

(a) United Nations Disengagement Observer Force (*continued*)

(b) United Nations Interim Force in Lebanon (*continued*)

Agenda item 136: Financing of the United Nations Mission in Sierra Leone (*continued*)

Agenda item 137: Financing of the United Nations Mission for the Referendum in Western Sahara (*continued*)

Agenda item 153: Financing of the United Nations Operation in Burundi (*continued*)

Agenda item 154: Financing of the United Nations Operation in Côte d'Ivoire (*continued*)

Agenda item 155: Financing of the United Nations Stabilization Mission in Haiti (*continued*)

Agenda item 107: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Completion of the work of the Fifth Committee at the second part of the resumed fifty-ninth session of the General Assembly

In the absence of Mr. MacKay (New Zealand), Ms. Samayoa-Recari (Guatemala), Vice-Chairman, took the Chair.

The meeting was called to order at 10.25 a.m.

Agenda item 108: Programme budget for the biennium 2004-2005 (*continued*) (A/C.5/59/L.71 and L.74)

Draft resolution A/C.5/59/L.71

1. *Draft resolution A/C.5/59/L.71 was adopted.*

2. **Mr. Simancas** (Mexico) said that his delegation had been pleasantly surprised to note the position of several delegations and groups of delegations on the granting of subventions from the general budget to entities that did not belong to the United Nations. Mexico would work constructively with those delegations during the sixtieth session of the General Assembly when the Committee considered United Nations support for entities that were part of the Organization.

Draft resolution A/C.5/59/L.74

3. **Mr. van den Bossche** (Belgium), speaking on behalf of the European Union, enquired whether the draft resolution under consideration was the version that had been reissued for technical reasons.

4. **The Chairman** said that the draft resolution was indeed the version that had been reissued for technical reasons.

5. **Mr. Berti Oliva** (Cuba) noted that the word "including" in paragraph 3 of the original English version had been rendered in the Spanish version as "*y en particular*", and requested that the Spanish version be corrected.

6. **The Chairman** said that the Spanish version of the draft resolution would be corrected accordingly.

7. *Draft resolution A/C.5/59/L.74, as orally corrected, was adopted.*

Agenda item 123: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*) (A/C.5/59/32 and A/C.5/59/L.53, L.69, L.70, L.72, L.73 and L.75-L.77)

Draft resolution A/C.5/59/L.53

8. **Mr. Mirmohammad** (Islamic Republic of Iran), introducing draft resolution A/C.5/59/L.53, said that the Advisory Committee on Administrative and Budgetary Questions (ACABQ) should generally clarify whether its various comments to the Committee were to be regarded as recommendations, observations or conclusions.

9. **Mr. Sach** (Controller) recalled that, during its informal consultations on the draft resolution, the Committee had requested clarification on the finalization of the comprehensive training strategy referred to in section VIII, paragraph 2. Various components of the Department of Peacekeeping Operations had already developed strategies for the training of three distinct categories of personnel: military, civilian police and civilian personnel. Work on a Department-wide comprehensive training strategy was under way and should be completed by the end of 2005. The strategy would be based on the policy principles set out in the report of the Secretary-General contained in document A/58/735, as well as on a needs assessment.

10. With respect to the suspension of the four-year limit on appointments of limited duration under the 300 series of the Staff Rules, by its resolution 59/266, the General Assembly had authorized the reappointment of staff who had served for four years under the 300 series, provided that their functions had been reviewed and found necessary and that their performance had been confirmed as fully satisfactory. Staff who did not meet those criteria could not continue to serve beyond 30 June 2006. If the General Assembly did not make a decision on the suspension until 30 June 2006, the Secretariat would be required to separate those staff who did not meet the criteria for reappointment. The Secretary-General would provide the Committee with an update on the situation at the second part of the Assembly's resumed sixtieth session.

11. With respect to section VI of the draft resolution, the Secretariat wished to confirm that the definitions set out in the Secretary-General's note (A/C.5/59/31) were the framework in which Disarmament, Demobilization and Reintegration (DDR) activities were undertaken and that no funds for reintegration were included in assessed budgets for missions. Reintegration activities would continue to be financed from voluntary contributions.

12. The Secretariat's interpretation of the implications of section VIII, paragraph 6, of the draft resolution was that the 5 per cent limit on General Service staff from Headquarters on assignment to a

peacekeeping mission would not apply to missions that were in a start-up or expansion phase, which included the United Nations Mission in Sudan (UNMIS), the United Nations Stabilization Mission in Haiti (MINUSTAH), the United Nations Operation in Côte d'Ivoire (UNOCI) and the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC).

13. With respect to section V of the draft resolution, on the shared funding of posts of Deputy Special Representatives of the Secretary-General, a generic job profile had been developed and a draft memorandum of understanding was being prepared. Both were currently being reviewed by senior management in the Department of Peacekeeping Operations prior to their transmittal to the United Nations Development Programme (UNDP) for review and concurrence. That process should be concluded by the end of June 2005.

14. Introducing the Secretary-General's note on the programme budget implications of the draft resolution, contained in document A/C.5/59/32, he said that the Office of Internal Oversight Services (OIOS) had reviewed its audit work plan, including a number of outputs proposed under the support account budget for the period from 1 July 2005 to 30 June 2006, and had reprioritized its work plan and related resources in order to perform the comprehensive management audit requested in the draft resolution. The budgetary implications for OIOS were $466,600, including $235,000 for consultants and $231,600 for official travel. Those resources were reflected in the draft resolution on the support account, contained in document A/C.5/59/L.77.

15. **Mr. El Naggar** (Egypt) said that paragraph 4, section XIV, of the draft resolution, concerning the comprehensive report to be submitted by the Secretary-General, should refer, not only to paragraph 3 but also to paragraph 2, as had been agreed during the Committee's informal consultations.

16. **The Chairman** said that the draft resolution would be amended accordingly.

17. **Mr. Berti Oliva** (Cuba) said that in paragraph 13, section VIII, of the Spanish version of the draft resolution, the reference to "resolution 57/226" should be corrected to read "resolution 59/266", as in the original English version.

18. **The Chairman** said that the requested correction would be made to the Spanish version.

19. *Draft resolution A/C.5/59/L.53, as orally amended, was adopted.*

20. **Ms. Attwooll** (United States of America) said that the draft resolution was broad in scope and represented an important and timely step forward in Member States' thinking on the management and function of peacekeeping. It also offered a tool for providing direction to the Department of Peacekeeping Operations and to the peacekeeping operations themselves, without micromanaging them. Although the United States of America supported all elements of the draft resolution, it believed that the Committee's consideration of the financing of disarmament, demobilization and, in particular, reintegration, was necessary for the clarification and continued understanding of which provisions should be included in the assessed budgets of peacekeeping operations and which should not, bearing in mind their respective mandates. Reintegration activities should be financed from voluntary contributions and the Secretary-General should continue his efforts to secure donor contributions for reintegration at the earliest possible opportunity.

21. **Mr. Kozaki** (Japan) said that the draft resolution represented the first major effort by the Committee to provide policy guidance for a more efficient and effective management of United Nations peacekeeping operations, both at Headquarters and in the field. His delegation would welcome expeditious implementation of the resolution as well as of the relevant recommendations of the Board of Auditors and the Advisory Committee, and looked forward to receiving reports on the actions taken.

22. The draft resolution was not intended to be a final and comprehensive policy decision on the future financing of DDR activities and did not prejudice the future budgets of other relevant peacekeeping operations. While Japan could not support the funding of reintegration out of assessed contributions, it supported the concept of integrated and complex peacekeeping missions and attached great importance to the DDR process. However, integrated missions should not be used as an easy mechanism for financing activities that should be undertaken by other United Nations entities.

Draft decision A/C.5/59/L.72

23. *Draft decision A/C.5/59/L.72 was adopted.*

Draft decision A/C.5/59/L.73

24. **Mr. El Naggar** (Egypt) drew attention to subparagraphs (b), (c), (d) and (e) of the draft decision and recalled that the Committee had not agreed to the establishment of Personnel Conduct Units. The agreement had been merely to provide funding for immediate needs. The draft resolution should therefore be corrected accordingly.

25. **Mr. Abelian** (Secretary of the Committee) said that the document would be reissued without the references to Personnel Conduct Units.

26. *Draft decision A/C.5/59/L.73, as orally corrected, was adopted.*

Draft resolution A/C.5/59/L.75

27. *Draft resolution A/C.5/59/L.75 was adopted.*

Draft decision A/C.5/59/L.69

28. *Draft decision A/C.5/59/L.69 was adopted.*

29. **Mr. Pulido León** (Bolivarian Republic of Venezuela) said his delegation regretted that the share of the Bolivarian Republic of Venezuela had not been reimbursed, since it owed nothing for closed peacekeeping missions. It hoped that the situation would improve in the future.

Draft resolution A/C.5/59/L.76

30. *Draft resolution A/C.5/59/L.76 was adopted.*

Draft resolution A/C.5/59/L.70

31. *Draft resolution A/C.5/59/L.70 was adopted.*

Draft resolution A/C.5/59/L.77

32. *Draft resolution A/C.5/59/L.77 was adopted.*

Note by the Secretary-General on financing of the support account for peacekeeping operations and financing of the United Nations Logistics Base at Brindisi, Italy (A/C.5/59/33)

33. **The Chairman** drew the Committee's attention to the note by the Secretary-General contained in document A/C.5/59/33, which had been issued in accordance with the prorating procedures approved by the General Assembly in its resolution 50/221 B, and indicated the amounts to be apportioned for each peacekeeping mission, including the prorated share for the support account and for the United Nations Logistics Base at Brindisi.

34. **Mr. Sach** (Controller) said that the note by the Secretary-General reflected the final approved resources for peacekeeping operations and their prorated shares in the financing of the support account and the United Nations Logistics Base. The financing of the support account included the $13,790,000 excess balance of the Peacekeeping Reserve Fund. His statement, which had been distributed to the members of the Committee, was accompanied by a detailed annex that contained extracts from the relevant draft resolutions for each peacekeeping operation and for the United Nations Logistics Base.

35. **The Chairman** said she took it that the Committee wished to take note of the information contained in the note by the Secretary-General.

36. *It was so decided.*

37. *Ms. Lock (South Africa), Vice-Chairman, took the Chair.*

Agenda item 124: Financing of the United Nations Angola Verification Mission and the United Nations Observer Mission in Angola (*continued*) (A/C.5/59/L.68)

Draft decision A/C.5/59/L.68

38. *Draft decision A/C.5/59/L.68 was adopted.*

Agenda item 126: Financing of the United Nations Peacekeeping Force in Cyprus (*continued*) (A/C.5/59/L.57)

Draft resolution A/C.5/59/L.57

39. *Draft resolution A/C.5/59/L.57 was adopted.*

Agenda item 127: Financing of the United Nations Organization Mission in the Democratic Republic of the Congo (*continued*) (A/C.5/59/L.54)

Draft resolution A/C.5/59/L.54

40. *Draft resolution A/C.5/59/L.54 was adopted.*

Agenda item 129: Financing of the United Nations Mission of Support in East Timor (*continued*) (A/C.5/59/L.58)

Draft resolution A/C.5/59/L.58

41. *Draft resolution A/C.5/59/L.58 was adopted.*

Agenda item 130: Financing of the United Nations Mission in Ethiopia and Eritrea (*continued*) (A/C.5/59/L.64)

Draft resolution A/C.5/59/L.64

42. *Draft resolution A/C.5/59/L.64 was adopted.*

Agenda item 131: Financing of the United Nations Observer Mission in Georgia (*continued*) (A/C.5/59/L.61)

Draft resolution A/C.5/59/L.61

43. *Draft resolution A/C.5/59/L.61 was adopted.*

Agenda item 133: Financing of the United Nations Interim Administration Mission in Kosovo (*continued*) (A/C.5/59/L.63)

Draft resolution A/C.5/59/L.63

44. **Mr. Sach** (Controller) confirmed that the purpose of the training programmes for the Mission's national staff was to enhance their ability to perform job-related functions within the Mission and to contribute to national capacity-building. Training of national staff was intended to support and improve the efficient functioning of the Mission.

45. *Draft resolution A/C.5/59/L.63 was adopted.*

46. **Mr. El Naggar** (Egypt) welcomed the Controller's comments. He hoped that in the deployment of the Mission account would be taken of the request for resources for training contained in the report of the Secretary-General on the budget for the Mission, and of the Committee's draft resolution.

47. **Mr. Pulido León** (Bolivarian Republic of Venezuela) recalled that during the informal consultations on the item, his delegation had expressed concern that the report of the Secretary-General included plans to give national staff English-language training with a view to transferring them to other missions. The Controller's explanation had satisfied him that training would benefit only that particular Mission and he was therefore willing to join the consensus on the draft resolution. He trusted that the same principle would apply to all peacekeeping missions and that no attempt would be made to convert national staff into international staff.

Agenda item 134: Financing of the United Nations Mission in Liberia (*continued*) (A/C.5/59/L.59)

Draft resolution A/C.5/59/L.59

48. *Draft resolution A/C.5/59/L.59 was adopted.*

Agenda item 135: Financing of the United Nations peacekeeping forces in the Middle East (*continued*)

(a) United Nations Disengagement Observer Force (*continued*) (A/C.5/59/L.65)

Draft resolution A/C.5/59/L.65

49. *Draft resolution A/C.5/59/L.65 was adopted.*

(b) United Nations Interim Force in Lebanon (*continued*) (A/C.5/59/L.52)

Draft resolution A/C.5/59/L.52

50. **The Chairman** drew the Committee's attention to draft resolution A/C.5/59/L.52, which had been introduced by the representative of Jamaica on behalf of the Group of 77 and China at the Committee's 53rd meeting.

51. **Ms. Attwooll** (United States of America) said that, although her delegation strongly supported the United Nations Interim Force in Lebanon (UNIFIL), the use of a funding resolution to pursue claims against a Member State was procedurally incorrect. The United States objected to the fourth preambular paragraph and to paragraphs 3, 4 and 13 of the draft resolution and requested that a single recorded vote be taken on those paragraphs and a recorded vote take on the draft resolution as a whole.

52. **Mr. Tejeira** (Panama) said that his delegation would abstain in the vote on the fourth preambular paragraph and on paragraphs 3, 4 and 13 of the draft resolution because the Committee should consider only budgetary and administrative, not political matters. Including claims targeted at a single country in a resolution on the financing of United Nations

operations was inappropriate; there were better ways to set out and deal with such claims. However, his delegation would vote in favour of the draft resolution as a whole, which provided for the continued financing of UNIFIL.

53. At a time when the Member States were seeking to revitalize the General Assembly and to streamline the work of its Committees, the Committee's discussions must be more focused, implementable and consistent with the Organization's ideals. The current meeting was not the first at which wording on political matters had been introduced into a draft resolution on administrative and financial matters. All peacekeeping missions must be treated in a non-discriminatory way and financed according to the principle of collective responsibility. Including the paragraphs in question would run counter to those principles and make no contribution to the effectiveness of the operations which the draft resolution was seeking to finance.

54. *At the request of the representative of the United States of America, a single recorded vote was taken on the fourth preambular paragraph and on paragraphs 3, 4 and 13 of the draft resolution.*

In favour:

Afghanistan, Algeria, Antigua and Barbuda, Argentina, Armenia, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belize, Benin, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Cambodia, Chile, China, Colombia, Comoros, Cuba, Djibouti, Dominican Republic, Ecuador, Egypt, Guatemala, Guyana, India, Indonesia, Iran (Islamic Republic of), Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Lebanon, Libyan Arab Jamahiriya, Madagascar, Malaysia, Maldives, Mali, Mauritius, Mexico, Mongolia, Morocco, Namibia, Niger, Oman, Pakistan, Paraguay, Peru, Philippines, Qatar, Russian Federation, Rwanda, Saint Lucia, Saint Vincent and the Grenadines, Saudi Arabia, Senegal, Sierra Leone, Singapore, South Africa, Sri Lanka, Sudan, Syrian Arab Republic, Thailand, Timor-Leste, Trinidad and Tobago, Tunisia, United Arab Emirates, United Republic of Tanzania, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

Against:

Australia, Israel, United States of America.

Abstaining:

Andorra, Austria, Belgium, Bolivia, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, El Salvador, Estonia, Finland, France, Germany, Ghana, Greece, Haiti, Honduras, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, New Zealand, Nicaragua, Norway, Panama, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, San Marino, Serbia and Montenegro, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Uganda, Ukraine, United Kingdom of Great Britain and Northern Ireland, Uruguay.

55. *The fourth preambular paragraph and paragraphs 3, 4 and 13 of draft resolution A/C.5/59/L.52 were adopted by 79 votes to 3, with 50 abstentions.*

56. *At the request of the representative of the United States of America, a recorded vote was taken on the draft resolution as a whole.*

In favour:

Afghanistan, Algeria, Andorra, Antigua and Barbuda, Argentina, Armenia, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belgium, Belize, Benin, Bolivia, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Cambodia, Canada, Chile, China, Colombia, Comoros, Croatia, Cuba, Cyprus, Czech Republic, Denmark, Djibouti, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Finland, France, Gabon, Germany, Ghana, Greece, Guatemala, Guyana, Haiti, Hungary, Iceland, India, Indonesia, Ireland, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Latvia, Lebanon, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Luxembourg, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritius, Mexico, Mongolia, Morocco, Namibia, Netherlands, New Zealand, Nicaragua, Niger, Norway, Oman, Pakistan, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Rwanda, Saint Lucia, Saint Vincent and the Grenadines, San Marino, Saudi Arabia, Senegal, Serbia and Montenegro, Sierra Leone, Singapore, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic,

Thailand, Timor-Leste, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

Against:

Israel, United States of America.

Abstaining:

Australia, Honduras, Panama.

57. *Draft resolution A/C.5/59/L.52 as a whole was adopted by 128 votes to 2, with 3 abstentions.**

58. **Ms. Taylor** (Australia) said that, while Australia strongly supported the continued existence of UNIFIL, it had abstained in the vote on the draft resolution because of unwarranted political considerations which had distracted the Committee's attention from the budgetary issues that should rightly remain its focus. Unfairly singling out Israel for attention did nothing to contribute to the Middle East peace process.

59. **Ms. Attwooll** (United States of America) reiterated her delegation's support for the important mandate of UNIFIL and its view that it was procedurally incorrect to use a General Assembly resolution on funding to pursue claims against a Member State. The United States opposed the current and previous resolutions, which had not been adopted by consensus and required Israel to meet costs stemming from the 1996 Qana incident.

60. Since shortly after the Organization's inception, the practice had been for the Secretary-General to pursue claims against a State or States. Use of a funding resolution to legislate a settlement was inappropriate, politicized the work of the Fifth Committee and must be avoided in the current and future cases.

61. **Mr. van den Bossche** (Belgium), speaking on behalf of the Union, said that the Union's position on the issue was well known and he would not repeat it.

62. **Mr. Sermoneta** (Israel) reiterated Israel's strong support for the personnel of UNIFIL and the important work they were carrying out. Israel had paid its full assessed contribution to UNIFIL on time and without conditions and would continue to do so. By contrast, some of the sponsors of the divisive draft resolution just adopted had been consistently delinquent in paying their full UNIFIL assessments.

63. His delegation regretted the deliberate and inappropriate politicization of the item. Politically motivated, one-sided language had no place in a resolution on financing, compromised its intention and did nothing to enhance its efficiency or effectiveness. Moreover, the paragraphs in question violated the principle of collective responsibility for the Organization's expenses set out in Article 17 of the Charter. There was no precedent for demanding that one Member State should bear sole responsibility for costs incurred when armed groups endangered United Nations peacekeeping forces. In all other like incidents in the past, regardless of the circumstances, expenses had been settled by the application of collective responsibility. The attempt to treat UNIFIL differently was politically motivated, unwarranted and singled out Israel in an unfair and discriminatory manner. The principle of collective responsibility had always prevailed, and must continue to do so.

64. While it had no objection to the technical aspects of the draft resolution, his delegation had voted against the paragraphs in question and the draft resolution as a whole because of the contentious language they contained. The practice of including those four divisive paragraphs ran counter to the established principles and practices of the Committee. He hoped that issues before it would no longer be marred by one-sided political agendas, and that it could return to productive methods of work.

65. **Ms. Grant** (Canada), speaking also on behalf of New Zealand, regretted that, once again, it had not been possible to achieve a consensus. The paragraphs voted on separately contained political elements that were inappropriate for a funding resolution, continuing the regrettable precedent that had been set some years earlier. The two delegations had therefore abstained in the vote. The paragraphs in question undermined long-standing agreement concerning the financing of peacekeeping operations.

66. **Mr. Ramadan** (Lebanon) said that his delegation respected the principle of collective responsibility through which Member States bore the cost of financing United Nations peacekeeping operations in accordance with General Assembly resolution 55/235, which established the principles for the scale of assessments for such operations. However, the

* The delegations of Costa Rica and Panama subsequently informed the committee that they had intended to vote in favour of the draft resolution as a whole.

principle of collective responsibility did not contradict the general principle of State responsibility for wrongful acts, including compensation for material damage resulting from such acts. That principle was enshrined in the Charter and was implied in paragraph 1 (e) of General Assembly resolution 55/235, which stated that, where circumstances warranted, the General Assembly should give special consideration to the situation of any Member States which were victims of, and those which were otherwise involved in, the events or actions leading to a peacekeeping operation. It was on that basis that nine previous General Assembly resolutions had requested the payment of compensation to the United Nations for the damage incurred as a result of the attack on the peacekeeping post in Qana. That request was reiterated in the fourth preambular paragraph and in paragraphs 3, 4 and 13 of the draft resolution just adopted. The compensation was not to be paid to Lebanon, but to the Organization.

Agenda item 136: Financing of the United Nations Mission in Sierra Leone (*continued*) (A/C.5/59/L.67)

Draft resolution A/C.5/59/L.67

67. **The Chairman** drew the Committee's attention to draft resolution A/C.5/59/L.67 and made an oral correction in paragraph 18.

68. *Draft resolution A/C.5/59/L.67, as orally corrected, was adopted.*

Agenda item 137: Financing of the United Nations Mission for the Referendum in Western Sahara (*continued*) (A/C.5/59/L.66)

Draft resolution A/C.5/59/L.66

69. *Draft resolution A/C.5/59/L.66 was adopted.*

Agenda item 153: Financing of the United Nations Operation in Burundi (*continued*) (A/C.5/59/L.55)

Draft resolution A/C.5/59/L.55.

70. *Draft resolution A/C.5/59/L.55 was adopted.*

Agenda item 154: Financing of the United Nations Operation in Côte d'Ivoire (*continued*) (A/C.5/59/L.56)

Draft resolution A/C.5/59/L.56

71. *Draft resolution A/C.5/59/L.56 was adopted.*

Agenda item 155: Financing of the United Nations Stabilization Mission in Haiti (*continued*) (A/C.5/59/L.60)

Draft resolution A/C.5/59/L.60

72. *Draft resolution A/C.5/59/L.60 was adopted.*

73. **Mr. Simancas** (Mexico), with reference to paragraph 14 of the draft resolution, recalled that MINUSTAH would be contacting the International Research and Training Institute for the Advancement of Women (INSTRAW) for the gender expertise required. Existing capacity within the Organization should be used not only for gender issues but also for issues related to HIV/AIDS and the environment, among others.

74. **Mr. Pulido León** (Bolivarian Republic of Venezuela) said that his delegation also understood that the expertise of INSTRAW would be called on by MINUSTAH, as the Institute was located geographically near the Mission. He hoped that budgets for organizations financed from voluntary contributions would be considered in a non-discriminatory and flexible manner in the future.

Agenda item 107: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*) (A/C.5/59/L.78)

Draft decision A/C.5/59/L.78.

75. *Draft decision A/C.5/59/L.78 was adopted.*

Completion of the work of the Fifth Committee at the second part of the resumed fifty-ninth session of the General Assembly

76. After an exchange of courtesies, in which **Mr. van den Bossche** (Belgium), on behalf of the European Union, **Ms. Taylor Roberts** (Jamaica), on behalf of the Group of 77 and China, **Mr. Torres Lepori** (Argentina), on behalf of the Rio Group, **Mr. Ramlal** (Trinidad and Tobago), **Mr. Mirmohammad** (Islamic Republic of Iran), and **Mr. Berti Oliva** (Cuba) took part, **the Chairman** declared that the Fifth Committee had thus completed its work at the second part of the resumed fifty-ninth session of the General Assembly.

The meeting rose at 12.15 p.m.